The China Weekly REVIEW

密勒氏評論報

A Weekly Newspaper Established in 1917

Kuramoto Turns Up, Spoils an Incident and Makes Tokyo Ridiculous!

ARTICLES IN THIS ISSUE

Disappearance of Vice-Consul Kuramoto and the Sino-Japanese Situation

Kuramoto Was Kidnapped! Kuramoto Was Murdered! Kuramoto Lives! and Tokyo Becomes Ridiculous!

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Kiangwan---Future Expansion of Shanghai . . . . . By B. Y. Lee

Shanghai-Nanking Railway and Its Services . . . . . By Paul K. Whang

My Experience in Teaching English . . . . By T. Y. Jen

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Formerly Millard's Review

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YEARLY SUBSCRIPTION, FIFTY-TWO ISSUES, TWELVE DOLLARS (CHINESE CURRENCY) IN ADVANCE. POSTAGE INCLUDED IN CHINA AND JAPAN. IN THE UNITED STATES AND FOREIGN COUNTRIES EIGHT DOLLARS U. S. CURRENCY. REMITTANCE FROM OTHER COUNTRIES THAN CHINA AND THE U. S. CAN BE MADE BY INTERNATIONAL MONEY ORDER. ENTERED AS SECOND-CLASS MATTER IN THE CHINESE POST OFFICE AT SHANGHAI IN MAY 1917.

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COMMUNICATIONS PERTAINING TO SUBSCRIPTIONS OR ADVERTSING IN CHINA OR ABROAD SHOULD BE ADDRESSED TO THE CHINA WEEKLY REVIEW AT 160 AVENUE EDWARD VII, SHANGHAI, CHINA, TELEPHONE 14741. CABLE ADDRESS "REVIEWING SHANGHAI."

SOME THOUGHTS ON THE MATTER OF ADVERTISING SHANGHAI

A FEW weeks ago the director of one of the local advertising agencies proposed in the course of an address before the Rotary Club that Shanghai should issue an elaborate book for the purpose of advertising Shanghai favorably throughout the world. He proposed that the three municipalities, International Settlement, French Concession and Chinese Municipality of Greater Shanghai cooperate in the production of such a book which would ignore controversial issues and only include "boost" material. The man who made this suggestion was of English nationality; however, the element of nationality was of no special significance, except that it happens to fit in with what we have to say from here on: A few days ago a Chinese friend sent *The Review* two clippings from one of the British provincial newspapers, the *Doncaster Chronicle*, which contained a type of advertising about Shanghai which by no possible stretch of the imagination could do this city any possible good. Doncaster is located in north-central England and has a population somewhere between 30,000 and 35,000. The clippings from the Doncaster newspaper consisted of a short editorial and an interview, with illustrations, which occupied some three columns. In the central column was a photographic likeness of a native of Doncaster, W. Champney, who according to his statement spent 25 years among the Chinese as a member of the police force of the International Settlement. Following the introduction which stated that Champney had previously served with the British forces in the South African war and had been made an "honorary freeman of the borough," the interview went into considerable detail about lawless conditions prevailing in Shanghai. "Until about 10 years ago, there was no trouble and we didn't even carry a little 'Webley' but now every man is equipped with a Colt. 45, a small machine-gun, a bullet-proof steel vest, and a shield which is strapped to the arm . . . It was once a peaceful, law-abiding settlement . . . Today . . . well, you never saw anything like it in your life. . . . The trouble has been caused through the controversy which has arisen among the Chinese people in the last few years."

Mr. Champney did not explain what this "controversy" was about, but said that it now was necessary to equip every police station in the Settlement with wireless so that every man on the force, numbering some 3,000, could be kept in touch with the stations and each other by wireless apparatus which is erected in the streets. Now for the thrilling details about the "riot squad" of which Mr. Champney was a heroic member. "Our greatest trouble is with armed robbers, most of whom are soldiers who have been beaten and become outlaws . . . they still have their guns and roam about in bands pillaging and murdering everywhere . . . they go to the Settlements because they know where the money is . . . the raids are daily occurrences . . . but as soon as the robbers start anything the riot squad goes into action with bullet-proof vests, machine-guns, and revolvers . . . if the robbers are caught in the act, the riot squad simply goes forward in a bunch, smashes in the doors and mow the bandits down with machine-guns . . . if they fail they are mowed down themselves, for life is cheap in China, and coldblooded murders mean nothing to these villianous robbers."

From these heroics, Mr. Champney branched off into stories of the plague in which the people die off by the hundreds and the bodies are simply thrown into the street . . . and so with the streets littered with bodies, the police are again called upon and the men detailed for the distasteful task of removing them. These men are specially inoculated, in proof of which Mr. Champney displayed his good left arm which was covered with vaccination marks. The lives of the foreign policemen in the International Settlement are therefore in danger every minute of every hour of every day. Once Mr. Champney passed an Indian member of the force and a few seconds later he turned around and found the Indian dead in the roadway. He had been shot by bandits and had Mr. Champey stopped, "even for a minute" he would not have been able to pose as the hero of the interview in the Doncaster paper. Then there was considerably more about the pirates in Bias Bay which makes it necessary for the British destroyers to "shell the place to pieces time and time again . . . but the pirates still seem to be there." Then the beggars, which the police "take in by the dozens every day, most of them being too filthy and disease-ridden to touch . . . begging is a profession which is learned as joinering, butchering or baking." But the thrills in Shanghai, according to this English policeman home on leave, are provided by the armed robbers . . . "On one drive it took 700 rounds of ammunition, 12 tear-gas grenades and 14 Mills bombs to get one man . . . and after the smoke had cleared away . . . there was the body of the bandit, clothed in rags and crumpled up in a corner of the attic . . . the walls of which were covered with what looked like spots of black paint . . . they were bullet holes . . . "

The editor of the *Doncaster Chronicle* must have been deeply impressed by Policeman Champney's interview for he published a short editorial in the same issue (April 19, 1934) wherein he remarked, somewhat sadly it seemed, on "certain aspects of the savagery and cruelty of these 'celestially-minded' people," following which he quoted from a book on China written by a Sir Henry Norman, which allegedly expressed the "deliberate judgment that the Chinese people are the most cruelly-minded people in the whole of the Far East." The editorial concluded with the statement, "we are afraid our interview will confirm the general view that in the mass the Chinese are anything but a lovable people." But in spite of the bandits and gun-men, the bodies of plague victims in the streets, the pirates and beggars, and a general situation so unsafe that "every citizen strong enough carries a revolver," Mr. Champney expressed the opinion that things were entirely "too quiet in Doncaster," hence he planned to return to Shanghai shortly "where the municipal police force is the only one in the world that has a reserve force which a man is able to rejoin at any time."

We will not attempt to controvert Policeman Champney's story about the seamy side of Shanghai, but it occurs to us that the local advertising agent who proposed the publication of a "boost" book, as well as the local realtors and other boosters, should get together and publish their book as soon as possible before any more members of Shanghai's police force go home on leave—otherwise it will be too late for their literary effort to do any good!

Blackmailers in North Kiangsu Threaten Death to American Missionaries

The members of the Southern Presbyterian Mission, in Haichow, were threatened recently through a blackmail letter according to a *North China Daily News* correspondent. The letter asked for $20,000 and specifically asked that the Americans, Messrs Morgan, Reed, Currie and McLaughlin should take note, or else the penalty was death. The first two names signed to the letter are well known as two of the bandit chiefs who were largely responsible for the capture and murder of Rev. J. W. Vinson, of the Southern Presbyterian Mission in Haichow, about two years ago. Blackmail letters similar to the one mentioned are being constantly received by the wealthy Chinese of said district, and what is more important, the bandits are constantly carrying out their threats. This is the first time the Presbysterian missionary group has been singled out for such threats.

British Customs Employee Shot Dead at Hoihow by Smugglers

E. R. Collier, of the Chinese Maritime Customs, was shot dead June 12 at Hoihow during an encounter with smugglers. He had only recently returned from furlough in England. Mr. Collier, who was 30 years of age, was a boat officer attached to the Customs at Hoihow, Hainan Island.

British Steamer, Bought for Breaking-Up, Appears Under New Name

The Glen Line steamer *Glenshane*, which was sold to an Osaka firm to be broken up last year, lay quiet for some eight months, and has now been repainted, renamed the *Sunshine*, and registered in Shanghai as the property of a British owner. Her commander is a retired British master, Captain John Salter, formerly in the N.Y.K. service, and her first officer is also British, other officers are Japanese, and the crew is Chinese. She is under charter to Messrs. Yamashita & Co., and is bringing a cargo of beancake, ammonia sulphate, and pig-iron to Yokohama. This information is culled from the *Manchuria Daily News*, but (as the *Japan Chronicle* points out) the Dairen paper does not explain the two most interesting points: (1) How a ship sold to be broken up comes to be put into service again; and (2) how it happens that a foreign-owned ship is plying between Dairen and Yokohama without the Japanese Press raising a howl and the port authorities offering hindrances on the ground that this is an infringement of the coastal shipping laws.

Disappearance of Vice-Consul Kuramoto and the Sino-Japanese Situation

AKIRA ARIYOSHI, Japanese Minister, went to Nanking on Thursday morning, June 7 for the announced purpose of attending the dedication ceremonies of the new building of the Chinese Ministry of Foreign Affairs which had just been completed. On the afternoon of the same day Mr. Ariyoshi called on Wang Ching-wei, chairman of the Executive Yuan and concurrently Minister of Foreign Affairs, and spent an hour with him discussing the question of Sino-Japanese relations. On the following day, Mr. Ariyoshi, in company with diplomatic representatives of other foreign nations at Nanking attended the dedication ceremonies and that evening he attended a banquet in honor of various foreign diplomats which was given by Wang Ching-wei. Following the banquet Mr. Ariyoshi returned to the Japanese Consulate-General and at about 10:30 at night, in company with other officials of the consulate and embassy, left the consular premises for the Nanking railway station (located in the Hsiaokwan section) where he embarked for the return trip to Shanghai.

On the following day, June 9, at about 10 o'clock in the morning, one of the Japanese vice-consuls in Nanking named Tanaka called at the Ministry of Foreign Affairs and reported verbally that another vice-consul, Eimei Kuramoto, had disappeared the previous night. Mr. Tanaka requested the officials of the Ministry to make an investigation. Mr. Tanaka called again at the Ministry at 4 o'clock in the afternoon of the same day and presented a written memorandum pertaining to the disappearance of Mr. Kuramoto. The Ministry of Foreign Affairs immediately notified the Nanking chief of police and also the gendarmerie headquarters and since nothing regarding Mr. Kuramoto's whereabouts had been discovered up to June 11, a reward of $15,000 was broadcasted throughout the city. The Japanese naval authorities on June 11, announced that one gunboat, the "Ashi" and two cruisers, the "Tsushima," commanded by Rear-Admiral Teijiro Sugisaka and the "Idzuma," commanded by Vice-Admiral Shinyiro Iwamura, had been ordered to Nanking. The gunboat "Ashi" and light cruiser "Tsuchima," belonging to the 11th Squadron had been previously stationed at Shanghai while the "Idzuma," flagship of the 3rd Fleet had been at Hankow and was on the way down river toward Nanking. Another Japanese destroyer was already anchored at Nanking, hence by the time this issue of *The Review* reaches its readers the Japanese will have at least four warships anchored off the Nanking waterfront.

There seemed to be a considerable discrepancy in the Chinese and Japanese reports regarding the time and circumstances of Mr. Kuramoto's disappearance. The original Japanese report (through *Rengo*) on the night of June 9 stated that Mr. Kuramoto had left the consular premises along with other members of the staff at about 10:30 o'clock with the intention of accompanying Minister Ariyoshi to the train which was scheduled to leave the Nanking station at 11 o'clock. But since there was no seat available in the motor cars which has been kept standing in front of the Consulate, Mr. Kuramoto had walked down the street toward a garage to find another car. The Japanese reports claimed that was the last seen of the vice-consul. The Chinese reports, on the other hand, claimed that Kuramoto actually went to the station and disappeared while on the way to his home which is located a considerable distance from the station and within the walled-city area. It would seem that this point could be cleared up by Minister Ariyoshi who must have seen all of the officials who were at the station when he departed. One of the *Rengo* messages issued on June 9 alleged that Kuramoto had complained to other members of the Nanking Japanese consulate, a few days previously, that he was being followed when he left the consular premises. The report alleged that Kuramoto and another member of the consular staff named Shimizu had called on the Chinese gendarmerie commander, Gen, Ku Chen-lu, the previous Tuesday and had lodged a complaint about the "officiousness" of the Nanking gendarmes in recent weeks. It was alleged that the gendarmes had stopped and questioned Vice-Admiral Shinjiro Iwamura, commander of the Japanese 3rd fleet while that official was riding about Nanking in a motor car on June 3. It was alleged further that Chinese visiting the Japanese consulate-general recently had been arrested on trivial charges and that Chinese employed by the consulate had been threatened by the gendarmerie. The *Rengo* report on this phase of the incident stated, "The fact that Mr. Kuramoto had complained to the gendarmerie commender on Tuesday (three days prior to his disappearance) was held by the Japanese reporters as having something to do with the refusal of the Chinese gendarmerie to discuss the case today . . . it was however, stated at the Foreign Office that the police and gendarmerie had been requested to make an investigation."

From this point the incident followed the usual lines of affairs of this character in China. Tokuji Shoji, manager of the Japanese N. K. K. steamship line and president of the Japanese residents association in Nanking called on Japanese Consul-General Yakichiro Suma, and pledged the cooperation of Japanese residents "in whatever measures that the officials might find necessary." A spokesman of the Japanese Embassy in Shanghai stated that Kuramoto's disappearance was being seriously regarded. Captain Sato of the Japanese naval headquarters at Shanghai declared that the disappearance of Kuramoto was an "extremely regrettable incident . . . . . we are watching the developments and are only taking necessary pre-

cautions to forestall any emergency." A dispatch from Tokyo on the night of June 11 quoted officials of the Japanese Foreign Office as having given Consul-General Suma at Nanking a "virtual carte blanche" with regard to his dealings with Nanking officialdom. The Foreign Office also regarded the situation seriously, particularly in that it occurred in the Chinese National Capital and while nothing would be done pending the outcome of the search for Mr. Kuramoto and no formal protest had yet been made . . . . "but the protest, if and when it can be justifiably filed . . . . will be couched in strong terms and a demand will be made for assurances that better protection be accorded Japanese nationals and officials in China, *under provisions of international law and the treaties.*" On June 11 various Japanese military, naval and legation officials held a conference in Shanghai regarding the incident, those present including Captain Sato, Lieut.-Gen. Suzuki, Rear-Admiral Sugisaka, and two secretaries of the Legation named Kawai and Horinouchi. Special messengers were dispatched to Nanking with instructions.

Eimei Kuramoto, the vice-consul who disappeared, was 43 years of age and had previously been stationed at Japanese consulates in Peiping, Hankow, Kirin and Harbin. He had been stationed in Nanking for a considerable time and was familiar with the city. He was also familiar with the Chinese language and it had been his special duty to keep in touch with Chinese affairs, in which connection he had a wide acquaintance with Chinese officialdom, both civil and military.

Various and conflicting theories were advanced as to the cause of Kuramoto's disappearance: that he was kidnapped and murdered by Chinese communists for the purpose of embarassing Gen. Chiang Kai-shek and the National Government; that he "disappeared" of his own volition or was kidnapped by Japanese "ronin" for the purpose of providing the Japanese Government with an excuse for taking drastic action against the National Government; that he committed suicide. The suicide theory, however, was repudiated by the Japanese officials. Of special interest in connection with the incident was the brief visit to Nanking a few days previously of Gen. Banzai, a special emissary of the Tokyo General Staff, who previously had been an adviser of the old Peking government during the administration of the Anfu clique. Banzai is generally classed with Gen. Doihara as a leading Japanese "intriguer" in Chinese political affairs. Banzai's visit, allegedly, was concerned with Japanese efforts to reopen the Sino-Japanese Exchange Bank, through which was issued the Nishihara loans, which the Japanese recently have been trying to force China to refund and legalize.

Gen. Chiang Kai-shek's newspaper, the *Chen Pao*, published in Shanghai, printed an editorial review of the Kuramoto incident in its issue of June 11, stating that despite the efforts of the Nanking police and gendarmerie no trace of the missing Japanese vice-consul had been discovered. In spite of the fact that the Chinese authorities had done everything possible to discover the whereabouts of Kuramoto, the Japanese residents association at Nanking was demanding "drastic action." Continuing, the editor of the *Chen Pao* asked, "What can this 'drastic action' be . . . . . can it be more drastic than the dispatch of Japanese warships to Nanking?" Then after commenting on the discrepancy between the Chinese and Japanese reports regarding the time and circumstances of Kuramoto's disappearance, the paper stated that the Japanese denial of the suicide theory was not logical merely because no trace of his body could be found. Gen. Chiang's paper then declared,

> "On this occasion the Chinese authorities should be frank with the Japanese. If the authorities have discovered that Kuramoto was kidnapped and that his kidnappers are Chinese, the authorities should say so. If the Japanese should bring up any demands the authorities should consider them carefully and accept those which are reasonable. It is no use in trying to blindfold the public from actual facts. It is regrettable that such an incident should happen in Nanking, the capital of China. In case Kuramoto is actually kidnapped it will place the Chinese Government in a very embarrassing position.
>
> "On the other hand the Japanese should realize that in case some untoward incident has occurred to Mr. Kuramoto it could not be a premeditated plan on the part of the Chinese. Even if there are a few instances of kidnapping they are the work of certain individuals. We are hearing that some Japanese are regarding the incident as a premeditated movement with the idea of stirring up another anti-Chinese movement in Japan. Are they trying to create another massacre of Chinese nationals in Japanese territory like that which occurred in Korea several years ago? If they are really so inclined they must be held responsible for the future relations between the two countries."

America Suggests Debt Payments in Kind

A note was sent June 13 by the U. S. Government in reply to the British Government's Note on War Debts the gist of which was that should Great Britain pay on June 15 the war debt instalment of $85,670,000 due on that date, she would remain outside the scope of the Johnson Act, which prohibits credits to defaulting nations. Should Great Britain submit proposals for the resumption of her war debt payments, the United States would gladly discuss them. The American Note said that no proposal has ever been presented for payments in kind to an extent that might be found mutually practicable. Such a proposal would be carefully considered. The reply reiterated the complete independence of the Allies' debts to Great Britain and the British debt to the United States. Repayment of the latter was not made contingent upon the fate of the debts due to Britain. The reply noted that Great Britain did not intend to repudiate her obligations and concluded by saying that the American people were not disposed to place an impossible burden on their debtors.

A suggestion was made by Cordell Hull, U. S. Secretary of State, to accept goods from countries not competing with American manufacturers, in addition to large imports of tin and rubber. It was pointed out that the United States buys British manganese from India, chrome from Rhodesia, while Belgium possesses imported radium deposits from Africa.

Tokyo Expresses Regret for Killing of Chinese Student

The Ministry of Foreign Affairs June 11 was in receipt of a telegram from the Chinese Legation at Tokyo, stating that a formal note had been received from the Japanese Government expressing regret over the murder of a Chinese student named Yeh Mu-hua by a group of Japanese students in Nagasaki.

Object of Minister Ariyoshi's Trip to Nanking

THAT there appeared to be a very definite connection between the visit of the Japanese Minister, Akira Ariyoshi, to Nanking on Thursday of last week and the disappearance of the Japanese vice-consul Kuramoto seemed obvious. This conclusion appeared to be sound regardless of the reason for Kuramoto's disappearance, for whether he had been kidnapped by Chinese or by Japanese elements or disappeared voluntarily, the effect was bound to influence in one way or another the present negotiations between China and Japan.

The Chinese newspapers, as well as reports sent out of Nanking through the foreign news services, had little definite information regarding the conference which was held on the afternoon of June 7 by Minister Ariyoshi and Premier Wang Ching-wei. The *China Times* in its report from Nanking simply reported that Ariyoshi and Wang Ching-wei had conversed for an hour in which there had been "no definite exchange of view." Ariyoshi had merely expressed a hope that there would be an early settlement of the Sino-Japanese situation and had expressed his appreciation that China had dispatched Rear-Admiral Wang Shou-ting to Japan to participate in the funeral of the late Admiral Togo. The counsellor of the Japanese legation then added the information, or lack of information, that Mr. Ariyoshi had no particular business in coming to Nanking, except to attend the opening ceremonies of the new Foreign Office building. However, Counsellor Arino did add the information that the Japanese Government "was anxious for a speedy settlement of the Sino-Japanese situation and that for 'geographical' reasons the two nations could not afford to be antagonistic for long." The Chinese report about the Ariyoshi-Wang interview was not quite so noncommittal, the *Kuomin* message stating that "in the course of the interview, lasting an hour and a half, Mr. Ariyoshi had told about his recent trip to Tokyo, and had expressed to Mr. Wang the hope of Foreign Minister Hirota and the rest of the Japanese Government *that Sino-Japanese cooperation would be achieved for the maintenance of the peace in the Far East . . . however, measures for promoting such cooperation were not discussed.*"

The fact that the two ranking vice-ministers of Foreign Affairs, Hsu Mo and Tang Yu-jen, departed shortly afterward for Nanchang for the purpose of interviewing General Chiang Kai-shek, indicated that there must have been some important developments during the Ariyoshi-Wang interview, a conclusion borne out by references to the purpose of Ariyoshi's trip which appeared in the foreign papers in Shanghai as well as in the newspapers in Japan. For example the *Japan Chronicle* (Kobe) published a *Rengo* message from Shanghai on June 6 which stated that the object of Ariyoshi's trip to Nanking was "to make a thorough explanation of the Japanese attitude toward China and to request the National Government to deal sincerely with the tariff issue and other pending north-China problems outstanding between the three countries, Japan, Manchukuo and China." In addition to this *The China Press* published a report stating that while Ariyoshi had disavowed all political significance, there was no question but what he was expected "to bring up all Sino-Japanese issues, those confronting north-

PUSHING THE CLOCK BACK INSTEAD OF FORWARD

From the New York Times.

China included . . . the Japanese Minister's deliberations being guided by instructions he received from Foreign Minister Hirota in Tokyo." The report in the Shanghai paper stated further that the resumption of postal and rail communication between China and Manchukuo "had practically been settled as the railways already were selling through tickets, etc., etc."

Then there were the reports, generally regarded as significant, of the visit of Lieut.-General R. Banzai to both Nanking and Shanghai. Banzai was sent to China by the Tokyo General Staff for the purpose of negotiating with China's leaders on the question of Sino-Japanese military and economic cooperation. The news reports from Nanking failed to mention the names of Chinese officials in Nanking who were interviewed by Banzai but in Shanghai General Banzai had a long conversation with Marshal Tuan Chi-jui, 70-year old former premier of the Peking government and ex-head of the defunct Anfu clique of militarists and politicians who negotiated the notorious Nishihara loans with Japanese bankers. With reference to economic matters Gen. Banzai is supposed to have been primarily interested in pressing China to permit the reopening of the old Exchange Bank of China which was the financial organ set up by the Japanese in 1917-1918 and through which most of the Nishihara loans were advanced. As a result of China's default on these loans the Exchange Bank of China was closed several years ago, but recently the Japanese military authorities as well as the members of the defunct Anfu clique have been trying to revive the bank.

But of more direct interest in connection with Ariyoshi's trip to Nanking and his conversations with Wang Ching-wei were reports published in the *Japan Advertiser*, American paper in Tokyo, on June 1 and 2 regarding the new orientation of Japanese policy toward China. The report in the *Advertiser* on June 2 stated that the recently organized "Japanese North China Association," which is headed by Kenkichi Yoshizawa, former Foreign Minister, had submitted a report to the Japanese Cabinet on the question of Japanese policy. The report was as follows:

> "It is to be regretted extremely that the opposition and insult displayed by the Chinese people against Japan as a sequel to internal disturbances in China have brought about abnormal conditions in the relations between Japan and China. However, we are pleased to note that tendencies are becoming apparent among the intellectual members of the Chinese people to recognize mistakes and turn attention to the subduing of rebels, reorganization of administration and betterment of social conditions in the nation.
>
> "The two nations, Japan and China, are endowed with the mission of collaborating in the development of East Asia and for the spontaneous advancement of the races of East Asia. In order to fulfill the mission, the two nations must expedite recovery of the state of co-dependence. If the Chinese people awaken to that fact and are earnest in making a new turn, Japan will at any time be willing to render sympathetic assistance.
>
> "The North China Association, holding those views, submits the following wishes to the Government, namely: measures shall be established and made public to accelerate collaboration between the two nations; Japan will offer sympathetic assistance to the Chinese people when they realize the need of self-control and eventually endeavor to enhance the peace of East Asia; on the other hand, Japan must take every precaution to resist by direct or indirect measures any attempt to disturb the peace of China by taking advantage of internal conflicts or foreign influence; further, facilities adequate to local conditions in economical, industrial, technical and scientific matters should be offered by Japan, thereby contributing to the furtherance of the welfare of the Chinese people, and steps should be taken also to promote mutual understanding between the two nations and for the solution of pending problems between the two countries so as to pave the way for the coming co-operation of the two nations."

In the issue of the *Advertiser* on June 1, Dr. S. Washio, well known Japanese publicist discussed at considerable length the problem of Sino-Japanese relations wherein he charged Gen. Chiang Kai-shek with playing a "double-game" in his dealings with Japan. According to Dr. Washio's account, Mr. Ariyoshi, prior to his recent trip to Tokyo had several very satisfactory conferences with Wang Ching-wei "who had observed that the relations of China and Japan should be like those of Germany and Austria before the World War . . . Mr. Wang also stated that Gen. Chiang Kai-shek was in agreement . . . but a few days later Gen. Chiang declared in the course of an address at Nanchang that the Chinese armies must be brought under unified control before the aggression of Japan could be avenged and that he hoped the lost territory could ultimately be recovered. Dr. Washio then launched into an extended explanation of internal political conditions in China, alleging that General Chiang's "double policies" were due to the activities of anti-Japanese elements in China, including T. V. Soong, a director of the National Economic Council; Sun Fo, head of the Legislative Yuan and the Cantonese faction. According to the Japanese spokesman General Huang Fu and political elements associated with him are strongly pressing for an alliance with Japan, hence it has been necessary for Chiang Kai-shek to "ride double and even triple horses, his primary care being to strengthen his own position . . . in truth Chiang is an opportunist and does not care whichever foreign policy of the Nanking Government may wax or wane so long as his own position can be strengthened . . . he will defend neither at its risk." Continuing, it was declared that General Chiang actually is more worried about the Communist situation and Canton opposition . . . but the collapse of rebellion of the 19th Route army in Fukien strengthened Chiang's position against Canton, hence Nanking policy had swung back in favor of Japan. Dr. Washio's article concluded with the following significant remarks,

> "At the same time the realization has generally grown that China's reliance on intervention by the Western Powers is illusory. China must have found also that Japan is not going to be economically exhausted from her Manchurian adventure. It is not Japan but China that has faced this danger. With Japan apparently growing stronger in her defiance of the world opinion, the Chinese may have come to see the need of revising their estimation of Japan's ability. Before the Manchurian incident many Chinese had been indulging in the speculation that Japan was economically

dependent on China and would bow at the threat of the Western Powers' intervention. Instead they have seen a self-confident and self-possessed Japan. Chiang Kai-shek, in particular, from practical considerations of his own position has been obliged to yield step by step to Japan's policy. In a sense the Amau pronouncement was an enunciation of this de facto situation. It was a declaration that Japan's influence in China has been more effective than Dr. Rajchman's. It had the effect of telling the Chinese that this is going to continue to be so."

These reports from both Japanese and Chinese sources indicate that the Japanese Government had decided to adopt more forceful measures with the object of compelling China to agree to Japan's demands, not only on the north-China issues, but on other questions including the vital matter of reducing Chinese tariff rates on Japanese goods, recognition of the Nishihara loans, and the whole category of demands concerned with Japan's claim to hegemony in Asia. Minister Ariyoshii undoubtedly received his instructions in Tokyo to convey this information to the Nanking Government and this constituted the purpose of his trip to Nankinng on June 7. To put it in plain language, Ariyoshi in all probability delivered an ultimatum to Wang Ching-wei and the National Government!

In view of this situation it was obvious that the disappearance of the Japanese vice-consul Kuramoto was bound to affect in one way or another Japan's attempt to force China into a definite agreement on outstanding issues. If Kuramoto was kidnapped by Chinese political elements, it might have been done for the purpose of disrupting the negotiations and preventing China from acceding to the Japanese demands. Or it might have been done for the purpose of embarassing Gen. Chiang Kai-shek and Wang Ching-wei for some reason intimately concerned with the present negotiations with Japan. On the other hand Kuramoto might have disappeared voluntarily or been kidnapped by Japanese "ronin" for the purpose of providing Japan with an excuse for staging a naval demonstration, under the shadow of which Japan could force through her policy which has been hanging-fire because of Chinese procrastination. There were undoubted grounds for suspicion in the circumstance that Kuromoto allegedly complained to the Chinese gendarmerie commander, General Ku Chen-lu, on the previous Tuesday, or three days prior to his kidnapping, that he was being followed. If this report which was issued by *Rengo* was correct, it appeared strange that Kuramoto did not take precautions while walking about alone on the streets at night. Kuramoto was the "liason" officer in the Consulate, which means that it was his job to keep in touch with the Chinese police, gendarmes and military authorities. He had resided in Nanking for nearly two years and was long-experienced in Chinese political affairs. He had a wide acquaintance among the subordinate officers with whom he was on friendly terms. The Japanese reports regarding his disappearance tended to place the blame on the Nanking gendarmes, but regardless of this point there was no question but what his disappearance appeared to the Chinese to be intimately connected with Ariyoshi's visit to Nanking and Japan's attempt to force through her policies which are designed for the purpose of converting China into a dependency somewhat on the order of the present situation in Manchuria.

JAPAN DEMANDED "LEGATION" GUARD IN NANKING?

WHILE there has been no official confirmation, reports from Nanking which appeared in the Chinese newspapers indicated that among Japan's demands resulting from the Kuramoto incident was an agreement on China's part that Japan be permitted to station so-called "Legation-guards" in Nanking similar to the situation which has prevailed in Peiping since the Boxer rebellion. Other Japanese demands included dismissal and punishment of police and gendarme officers, guarantees for the protection of Japanese residents and an indemnity for the missing vice-consul. Reports from Nanking through *Rengo* on June 12 stated that the Japanese Consul-General Yakichiro Suma had called on Wang Ching-wei and presented a note "holding the Chinese Government responsible for the state of affairs which led to the disappearance of Eimei Kuramoto, vice-consul, who had been missing since Friday night." The Japanese also reserved the right to make any further demands in this connection. The *Rengo* message continued, "The Japanese cannot but consider that the Chinese Government is responsible for the state of affairs which led to the disappearance of Mr. Kuramoto and the subsequent failure of the local authorities to find a trace of him despite the time elapsed since he vanished. The Japanese Government is naturally seriously concerned about the welfare of its officials and residents abroad. . . . Furthermore, the Japanese Government reserves the right to make any future demands in this connection." In addition to the foregoing, it was reported in Shanghai that the Japanese demands were accompanied by an ultimatum giving China three days dating from June 13 to find the missing vice-consul or make a satisfactory report on the incident, otherwise Japan will adopt "drastic measures."

That one of Japan's chief objectives in magnifying the Kuramoto case into a major incident, was force China to agree to the stationing of Legation guards in Nanking, similar to the situation in Peiping, was hinted in an editorial which appeared in Gen. Chiang Kai-shek's newspaper, *The Chen Pao*, on June 12, when it was declared that Japan's apparent intention was to organize her own police force in Nanking. A *Reuter* report from Tokyo on June 12 stated that in the event the mystery of Kuramoto's disappearance is not solved shortly, the Japanese probably would land forces in Nanking and conduct their own search for the missing official. Also, it was alleged that Japan probably would demand the disbandment of Gen. Chiang's "Blue-Shirt" organization, due to the belief held in Tokyo that

they may have been responsible for Kuramoto's disappearance.

The Ministry of Foreign Affairs sent several representatives to the Japanese Legation to assure the Japanese of China's sincerity in searching for the missing vice-consul and also for the purpose of urging the Japanese not to take drastic action. According to a *Kuomin* report from Nanking on June 12 the Chinese authorities had increased their reward from $10,000 to $15,000 and had organized a house-to-house search not only in Nanking but in all surrounding towns and along the Shanghai-Nanking railway between Nanking and Shanghai.

Kuramoto Was Kidnapped! Kuramoto Was Murdered! Kuramoto Lives!---And Tokyo Becomes Ridiculous!

EIMEI KURAMOTO, 43-year-old Japanese vice-consul at Nanking, not only is alive but is the hero of an international incident which has made the Imperial Japanese Government supremely ridiculous. And the most ridiculous of all are the Japanese diplomatic, naval and military officials in China who largely were responsible for magnifying Kuramoto's disappearance into a major diplomatic incident for ulterior purposes! For the first time since 1931 an element of humor has been introduced into the relations of China and Japan—but the Japanese being without a sense of humor will not be able to laugh at their own stupid blunder. This was fittingly indicated by a *Rengo* message from Tokyo which was received in Shanghai late on Wednesday night which declared, "The fact that he has been found in no way minimizes the importance of the incident which took place in the capital of the country to which he was accredited." The spokesman of the Tokyo Foreign Office concluded his statement by saying that the Japanese Government "would take some new measures after the receipt of an official report." Well, we have no idea in the world what those new measures may be, but would humbly offer the suggestion that Japan's first official move would be to accept the resignations of a number of high officials beginning with Koki Hirota Foreign Minister and including several on this side of the Yellow Sea and not overlooking a few rear-admirals who were responsible for dispatching a considerable portion of the Japanese navy to Nanking for the purpose of bluffing the Chinese Government into a few more concessions.

Space is not available for the complete episode of Kuramoto, but to understand the real significance of his disappearance and the use which Japan was planning to make of the incident, readers are urged to peruse the preceding articles in this issue of *The Review* which were written and set up in type prior to the receipt of the news that the missing Japanese vice-consul had not been kidnapped and neither had he been murdered but had merely gone out on the mountain to starve or be eaten by Chinese wolves which refused to devour him. And he was hungry and the Chinese peasants fed him and refused to accept money therefor!

But to put it briefly, it seems that Kuramoto was suffering because of an inferiority complex. He had been reprimanded by his superior for the loss of some documents—how he lost them and how they happened to get into the hands of the Chinese we will not venture to say—but Kuramoto was in disgrace and his name had not been included in the list of those invited to the banquet given by the Chinese Premier on Friday evening at the Foreign Office. And to make matters still worse, Minister Akira Ariyoshi, when about to leave for the railway station after the banquet, told Kuramoto to "look after the baggage." Now Kuramoto is 43-years-old and is still a vice-consul—and was in disgrace.

So Kuramoto went out into the mountains, or to be more specific, he went out to Purple Mountain in the vicinity of the historic Ming Tombs, there to die by slow starvation and ultimately to have his body devoured by Chinese wolves. He found a convenient cave, but after nearly five days of fasting and no wolves available to end his misery, he ventured forth in search of food. Being without money, the villagers gave him food and a poor peasant woman even refused to accept his gold cufflinks in payment. But it was his strange actions plus the circulars scattered over the countryside by the Chinese government offering a reward of $15,000 for the missing vice-consul, that led to his discovery. After listening to his story the Chinese notified the Japanese authorities and handed him over to them. But according to authoritative reports from Nanking, he didn't want want to be handed over, for he doubtless realized that while a missing Japanese vice-consul might be regarded as a hero and a martyr by his bellicose fellow countrymen, it was an entirely different and highly embarrassing matter for a missing vice-consul to turn up alive and thus spoil a perfectly good incident that might, quite easily, have cost China a few more provinces.

And Kuramoto was kidnapped—and Kuramoto was murdered—and Kuramoto is still alive. All Hail Kuramoto! By the time this issue of *The Review* reaches its readers several millions of Chinese will be laughing at the Japanese and the Chinese are fully entitled to their joke, for it has remained for an humble son of Nippon, a mere vice-consul to make his country ridiculous and all of the military might of Japan will not be able to stop the Chinese and the rest of the world from laughing!

The Vice-Consul's Own Story of Why He Disappeared

After he had been brought back to the Nanking police headquarters on the afternoon of June 13, Mr. Kuramoto was interviewed by *Reuter*. He said that he had made up his mind to die and that, had he not taken a drink of water, "I would not be here now." He was discovered by four detectives attached to the special squad of the Metropolitan police. He appeared mentally deranged when found and was suffering from weakness due to several days' exposure, but otherwise was in good health.

Awakened by one of the detectives, the Japanese vice-Consul at first refused to return to the capital with the police detectives. However, while two of the special service squad talked to him, the others hurried back to Nanking with the news and returned to the spot where Mr. Kuramoto was found, accompanied by other police officials, the party making the trip in motor cars.

For some reason or another, Mr. Kuramoto still persisted in his refusal to accompany the police back to the city, but finally, after a long argument, he was persuaded to return to the capital. He was taken to the police headquarters, arriving there at about 3 o'clock and was given drink and other refreshments. Later Mr. Kuramoto gave a graphic account of what had occurred since the night of his disappearance. The Japanese vice-Consul, his face tanned by the sun, unshaven, shoes well-worn, and clothing wrinkled, was in very good spirits. He spoke in good Mandarin and smoked cigarettes continuously.

"On Friday night, June 8," he said, "after 10 o'clock, I was at the Japanese Consulate-General ready to proceed to the Hsiakwan Railway station to bid farewell to Mr. Ariyoshi, the Japanese Minister. The motor car, however, was too crowded, I hired a rickshaw and proceeded along the Chungshan Road towards the Sun Yat-sen Mausoleum. When I reached the Chungshan gate, at about midnight, the rickshaw coolie refused to proceed any further. I then dismissed him and walked outside the gate, the guards at the gate not stopping me."

When asked to explain the reason for his strange behavior. Mr. Kuramoto at first declined to explain, but later said:

"I had a strange feeling of happiness and contentment when I walked out of the Chungshan gate that night. I went beyond the Sun Yat-sen Mausoleum and climbed up Purple Mountain. When I looked at Nanking from the top of the mountain, I saw electric lights glittering and I waved my hands and said farewell to the beautiful capital of China.

"It was very windy on the mountain especially that night. I later piled up rocks, forming temporary shelters at different places where I spent the nights.

"I regret that I drank water for I had made up may mind to die and if I had not taken a drink of water I would not be here now."

The Japanese vice-cousul, being told that Nanking was very glad that he was safe, replied: "I am not happy however; different people have different outlooks upon life." And, when it was pointed out to him that his wife and children would be glad to see him again, Mr. Kuramoto's answer was, "They can take care of themselves."

Cryptic Statement from Tokyo

A *Rengo* message from Tokyo June 13 said that while expressing satisfaction at the report that Mr. Kuramoto had been found alive, Foreign Office officials declined to make any comment pending the receipt of official information. "The fact that he has been found in no way minimizes the importance of the incident which took place in the capital of the country to which he was accredited," one official said. He indicated that the Japanese Government would take new measures after the receipt of an official report.

Serious Communist Plot Unearthed in Nanking; Japan Said Demanding Santuao as Air Base

HIGH LIGHTS IN THE EVENTS OF THE WEEK:

1. *Serious Communist Plot to Overthrow Nanking Government Unearthed by Police*
2. *Communists Rampant on Kweichow-Szechuan Border*
3. *Chang Hsiao-liang Believes Fascism Can Unify China*
4. *Japan Said Demanding Lease of Santuao as Air Base*
5. *General Chiang Kia-shek Orders Strengthening of South China Defense*
6. *Japanese Military Will Force Issue on Through Rail Question*
7. *Sikong-Tibet Dispute Settled*
8. *General Chiang Kai-shek Due to Arrive at Nanking June 15*

A serious Communist plot to overthrow the National Government was unearthed by the Nanking Police Headquarters end of last week, when a series of raids was conducted upon a secret Communist Headquarters at Hsiakwan. As a result of the raids, several leading Communists had been arrested, including Pai Yuan-fu, Nanking agent of "Red" Army Commander, Mao Chi-tung and Chairman of Organization Committee of the Communist Party in Shanghai, Nanking, Hankow and Peiping; Yao Li-hsuan, Chief-of-Staff of Communist Party; Shao Tang-wei, Communist agent from Shanghai and several other Communist assassination and publicity agents. Pei Yuan-fu is a graduate of the first class of the Paoting Military Academy. According to documents seized during the raids, the Communists plotted to assassinate high officials at Nanking and overthrow the National Government. Questioned at the police station, the arrested Communists confessed that they were hiding at the Capital for the purpose of assassinating high Government officials and creating a reign of terror.

In Shanghai, the Communists are also very much active. In the night of June 9 on Kwangsi Road, a detective superintendent of the Public Safety Bureau by the name of Chen Ching was shot in the back by Communist gunmen in an attempted assassination. A Chinese constable of the Louza Station on coming to Chen's resuce was wounded in the leg, who subsequently succumbed to the wounds. The wound-be assassins made good their escape. Chen, the victim of the shooting, is described as a capable anti-Communist detective. He has several successful coups to his record in the Public Safety Bureau as a special service man. He is now in hospital and his injury is said not to be fatal.

The attempted assassionation of Chen Ching is believed to be a retaliation to the murder of Chen Fang-shih and his wife on June 8 at their home on Route de Say Zoong. Carrying two baskets of seasonal fruits to gain entrance without interruption, two gunmen made way directly to the room and losing not time, poured a volley of bullets on the couple and almost instaneously killed them, leaving their five-year old daughter to cry out the horrible news to the co-tenants in the house. The French Police were immediately notified, but the gunmen had long decampted. The double murder is believed to be perpetrated by anti-Communist agents.

Communists Rampant on Kweichow-Szechuen Border

Upon receipt of the report last week that the "Reds" under the notorious Ho Lung have fled to Kweichow from Szechuan, General Chiang Kai-shek immediately ordered General Ho Chien of Hunan to stage an attack on the maruaders in conjunction with the Kweichow Provincial units under General Wang Chia-lieh. One Hunan brigade has been despatched by General Ho to the Hunan-Kweichow border to assist three regiments of the Kweichow forces.

Two brigades of Szechuen troops have entered Kweichow to assist the Kweichow troops in the suppression on the Reds in northern Kweichow. The number of Communists at Wuchuan in northern Kweichow, which they are now using as their temporary headquarters, is estimated at 6,000 men under the command of Ho Lung.

According to the Nanking Office of the Kweichow Provincial Government, the main body of the "Reds" under Ho Lung is concentrating at Wuchwan, northern Kweichow, while small groups are harassing the people along the Szechuan-Kweichow border. The bandits are reported to have appeared at Chingyuangshih in Tungtsu district, northern Kweichow. General Wang Chia-lieh, Chairman of Kweichow, has ordered the various Kweichow units to suppreess the marauders.

According to a *Reuter* message from Canton June 9, a Communist force of 5,000 strong had penetrated into Kweichow last month after having been defeated by Szechuan troops. After ten days of fighting, the Reds were

again driven back into Szechuan on June 2 and all the districts in Kweichow which had been occupied retaken.

The capture by the Government forces of Nuanshui in the district of Tehhing, north-eastern Kiangsi, is reported in a military despatch received from the front by the Military Headquarters at Nanchang June 7.

Five divisions of Cantonese troops are moving towards Chinwu in soutehrn Kiangsi preparatory to a general offensive against the main Red stronghold at Hueichang.

Large bands of Communists have recently made a sudden appearance on the Kiangsi-Hunan border and there is indication that these Communists are vanguards of the Red Army which is moving steadily towards Hunan.

In recognition of the capture of the city of Yungan, western Fukien, last month, General Chiang Kai-shek has awarded $20,000 to Lieut.-General Lu Hsing-pang, Commander of the 52nd Division. The sum was sent from Nanchang to Yungan by airplane.

Severe fighting has occurred between the Government troops and the remnant "Reds" at Siao-tao and Ansha, respectively east and north-east of Liencheng, western Fukien. Fierce encounters also took place between the Government forces and the scattered outlaws at Tsingchow and Hsimou in the Yenping-Shahsien sector, northern Fukien, according to Foochow messages.

General Han Fu-chu, Chairman of Shantung, arrived at Nanchang June 7. He was received by General Chiang Kai-shek in the evening of the same day. General Han left Nanchang for Hankow June 9 to see Marshal Chang Hsiao-liang.

General Fu Tso-yi, Chairman of Suiyuan, arrived at Hankow June 8 by train on the Peiping-Hankow Railway. General Fu is on his way to Nanchang to interview General Chiang Kai-shek, President of the Military Affairs Commission.

Prince To-Ko-To-Ming, member of the Mongolian Local Autonomy Political Affairs Council, arrived at Nanchang, capital of Kiangsi, June 9 to report to General Chiang Kai-shek on the inauguration of the Council at Pailingmiao.

Chang Hsiao-liang Believes Fascism Can Unify China

Following the recent military conference at Hankow, Marshal Chang Hsiao-liang has decided upon definite measures for the suppression of the Communists in Hupeh, Honan and Anhui. According to tentative plans, Marshal Chang's troops will be divided into three detachments under the command of Generals Ho Chu-kuo, Liang Kwan-ying and Hou Meng-lin respectively. Each detachment will consist of three divisions. These troops will be sent to the different Red areas in the three provinces. It is expected that the general offensive will start middle of June and is expected to be completed before the end of August.

In an exclusive interview with the *Chekiai agency's* correspondent at his Wuchang Headquarters June 9, Marshal Chang said that the chief problem of bandit suppression, which Generalissimo Chiang Kai-shek and he himself are tackling in Central China, is not so much the military campaign as restoration of the ravaged areas to normal productivity. Two ways are open for the government to solve this problem, said Marshal Chang, namely, the government has either to provide funds for the peasants to buy farming implements, seeds, to rebuild their houses and farms or to give enough protection and guarantees against the reappearance of the bandits so that repopulation will come as a natural result. As the first method involves expenses amounting to millions, he has decided to follow the second way by removing all obstacles to the restoration of the interior and by facilitating the return of the peasants to their homesteads.

On national problems, Marshal Chang expresses the view that he can see little prospect for national salvation at the hands of the present generation, China's hope lying rather in bringing up the younger generation in the correct way. He greatly deplored the present tendency of the Chinese to despair and let the surrounding circumstances get the best of them.

"Let every Chinese, who still has a spark of manliness and love for his own country left in him and who can see the gravity of the national crisis, banish all their selffish thoughts and determine to do his bit for the country," declared the Young Marshal, with great emphasis. "Let the Chinese, whether they be communists, members of the Kuomintang, the Third Party, or of any other party, who profess to save the country, unite together on this single motive of saving the country and forget all other differences. This is the road to national salvation. If the present tendency of despair, of internal strife and dissension continues, China is hopeless."

The Marshal was very enthusiatic on Fascism as for practiced in Italy and Germany, and expressed the opinion that Fascism, modified to suit conditions in this country, offered the best way to achieve unification of the country; and in this, he believed General Chiang Kai-shek is the ideal man to lead. He was very much opposed to liberalism in China and believed that liberalism is not suitable for the present. "The majority of the Chinese are not national conscious and are either indifferent or callous to affairs of the country. The wise way to lead the people out of this hopeless mess is to invest enough powers in a single person and make him the leader. Every leader has his own short-comings, of which many think Generalissimo Chiang is not free. But if so, we must forget these short-comings and follow him as far as unification of the country and regeneration of the race is concerned."

Japan Said Demanding Lease of Santuao as Air Base

According to a Foochow dispatch published in the *China Evening News* June 7, Japan is demanding the lease of Santuao island northeast of Foochow as an aviation base. Mr. Akira Ariyoshi, the Japanese Minister to China, the dispatch states, has been instructed by Tokyo to approach formally to the Central Government on the matter and it is suggested this constitutes one of the missions of Mr. Ariyoshi's present visit to Nanking.

Since the Japanese made known of their intention early last month, the Fukien Provincial Authorities had dispatched urgent telegrams to Nanking and Nanchang asking for instructions to cope with the Japanese demand. Under instructions from the Central Government, Mr. Li Tse-yi, advisor on foreign affairs of the Fukien Provincial Government, made a secret trip to Santuao on June 1 to investigate the conditions there. He is compiling a report to the Central Government on the results of his investigation.

Santuao occupies a very strategic position. It commands Formosa on the east and South Sea Islands on the south. It is the key point to eastern Fukien and western Chekiang coastal cities. Its occupation by the Japanese will seriously affect the security of all South China coastal provinces. As a result of the reported Japanese demand, the situation in South China has again become tense. Both Kwangtung and Fukien Provincial Authorities are watching anxiously over the developments. Mr. Li returned to Foochow June 8 from Santuao.

Press reports that the Japanese have requested the Fukien Provincial authorities to lease Santuao in order to turn it into a Japanese aerial base are unfounded, according to a *Kuo Min* Nanking message June 9. A telegram emphatically denying the rumor has been received by the Central authorities from General Chen Yi, Chairman of Fukien, said the message.

General Chiang Orders Strengthening of South China Defense

According to *Chao Jan Pao* at Hongkong June 3, General Chen Chi-tang has received an urgent telegram from General Chiang Kai-shek, instructing that necessary preparations be made to strengthen the national defence of South China in view of reports of possible foreign aggression in that region. General Chiang urges that warships be sent for patrol purposes and that outposts be sent to watch at different strategic points along the sea shore. Following the receipt of the telegram General Chen Chi-tang held a military conference, at which important decisions were reached. General Chen has also appropriated $400,000 to make necessary repairs at all coastal fortresses. Special attention is being paid to the defence of the Hainan Island. General Chen has telegraphed to the Central Government, acknowledging receipt of the May subsidy of $600,000.

According to military intelligence reports, more than 200 Japanese ronins have penterated into Kwangtung province, most of whom are found in the coastal cities, particularly Swatow. The provincial authorities are taking precautionary measures along the entire Kwangtung coast against emergencies.

The Kwangtung Provincial Government as well as the Canton-Kowloon and Canton-Shaokwan Railway Administrations have received strict orders not to permit the sale of scrap iron to foreign merchants. It is said that a certain country is now buying scrap iron from China for the manufacture of fire arms.

Fear of foreign invasion has led the Southwest authorities to expand the military construction committee which is to be composed of army officers above the rank of battalion commanders and officers of the air force and navy above the rank of lieutenant colonel and commander respectively, according to *China Press* correspondent in Canton.

Aerial defense of Canton is uppermost in the minds of the military authorities. The fire brigade is to be trained to take necessary steps to extinguish fires after bombardment by enemy planes. In such a raid, people must take shelter in dug-outs and sand-bag covers. On the military side, there will be anti-aircraft guns, sound detectors, and watch posts, which are to defend the city against bombing planes. In addition, there should be sufficient pursuit planes to drive off bombers and escorting planes during the day or at night. Weapons for aerial defense were ordered from the United States and Europe through Lieut. General Huang Kwang-yiu, commandant of the Canton air force, who is now on a world tour.

General Chiang Po-cheng, personal representative of General Chiang Kai-shek arrived at Canton June 6 to confer with General Chen Chi-tang on measures for speeding up the anti-Red campaign. General Chiang is planning to take up permanent residence in Canton in order to keep in close touch with the trend of events in the South-west.

General Huang Shao-hsiung, Minister of Interior, arrived at Hongkong June 10 on board thee Italian liner Conte Rosso. According to *China Evening News*, General Huang is being entrusted with important missions of the Central Government in his trip. He will call on Hu Han-min at Hongkong and then proceed to Canton to exchange views with General Chen Chi-tang on the situation. Later, he will visit his native province, Kwangsi. The paper stated that General Huang's mission is twofold: first, to explain the position of the National Government vis-a-vis the Sino-Japanese situation and secondly, to persuade the Kweichow and Yunnan authorities to settle their differences by peace without resorting to war. Since General Huang's arrival at Hongkong, many placards have appeared on the streets at Canton voicing opposition to his visit to Canton and are accusing him of being the tool of certain government leaders in Nanking. General Chen Chi-tang is now making investigations into the matter.

The Kwangsi Provincial Government is reported to be negotiating with the French authorities in Annam for a loan of $30,000,000 to be secured upon the income of the coal mines and the Lung-Yueh Railway in Kwangsi. The French authorities, it is said, agree only to make the loan in airplanes and other military supplies.

General Chen Chi-tang issued an order June 10 for the arrest of all leaders of the Fukien uprising. Altogether 103 persons are reported to be on the black list including Gaston Huang, former Chief of Staff of th e19th Route Army who played an important role in the armistice talks in Shanghai in 1932. It is reported that no less than 8,000 soldiers of the former 19th Route Army have joined the Kwangsi forces. These soldiers have been reorganized into four battalions with Hsieh Ting-hsin as commander of the new unit.

According to messages from Yunnanfu, the Panhung dispute is still hanging fire. The messages state that Briitsh guards and Burmese are still stationed at Lufang in spite of the protests made by the chief of the Panhung tribe. The British guards are armed with two field guns and two machine guns. Around Lufang they have constructed defence works to prevent possible attacks by the tribesmen. These guards have the co-operation of the Yungpan and Panyung tribes. The chief of the Panhung tribe is now approaching the Yunnan provincial authorities for assistance.

A strong detachment of Yunnan troops has suddenly made an appearance in Kweichow and is now stationed at Panhsien in Kweichow without having first secured the permission of the Kweichow authorities. Reports are also in circulation to the effect that the Government is contemplating the appointment of General Lung Yun of Yunnan as Pacification Commissioner of Yunnan and Kweichow. General Wang Chia-lieh, the Kweichow Chairman, is feeling extremely uneasy at the presence of the Yunnan troops and he his telegraphed to General Chiang Kai-shek at Nanchang.

Japanese Military Will Force Issue on Through Rail Traffic Question

Several trainloads of Japanese troops have arrived at Shanhaikuan from Mukden. Rumors are in circulation in Peiping to the effect that in case the question of through traffic on the Peiping-Mukden Railway could not be settled in time, these troop-trains would make their way into the Great Wall by way of demonstration, says a *Sin Wen Pao* report from Peiping June 6.

About 30 railway technical experts sent by the South Manchuria Railway have arrived at Shanhaikuan, according to *Shun Pao* June 7. They are to make preliminary arrangements for the organization of a Sino-Japanese Travel Agency and the resumption of through railway traffic on the Peiping-Mukden Railway.

Japanese commanders in Jehol and along the Great Wall held an important military conference at Chengteh, capital of Jehol, end of last week. The meeting was attended by Lieut.-General Sugihara, Commander of the 7th Japanese Division, Major-General Okamura, Colonel Shibayama, military attache of the Japanese Legation, Colonel Matsui, Head of the Japanese Special Mission at Chengteh, Major Giga, representative of the Japanese Kwangtung Army at Shanhaikuan, and others.

Indignation has been caused in Chinese circles in Peiping by the landing of a "Manchukuo" airplane in the Old Capital June 8. Forty minutes after the landing, the plane hopped off for Chengteh, capital of Jehol, with Colonel Shibayama of the Japanese Legation on board.

Replacements for the Japanese troops stationed in North China left Tokyo evening June 8. The detail consists of Hokkaido and Tokyo troops, their number being not stated.

After long and protracted negotiations, the Japanese military have finally agreed to withdraw the "Manchukuo" police units from Kupeikow. The sum of $7,000 has been handed over to the "Manchukuo" police by the Chinese authorities in the name of the Kupeikow Municipal Affairs Promotion Society as expenses for their transfer.

Malangyu, a strategic pass along the Great Wall where the Imperial Mausoleum of the Manchu Dynasty is situated, is now strongly garrisoned by Manchukuo troops. Two hundred Japanese infantry are also stationed at Malangyu.

Eight Customs barriers have been established by the Japanese at the following passes along the Great Wall: Hsifengkow, Kupeikow, Iyuankow, Panchiakow, Lengkow, Malanyu, Taitouying and Sahochiao. These have already commenced functioning and are imposing heavy duties on goods from inside the Great Wall.

The Ministry of Finance has also decided to establish several customs outposts along the Great Wall in order to prevent smuggling into North China from Manchuria. The place for such outposts, however, has not yet been decided upon. In this connection a spokesman of the Finance Ministry declared that the establishment of customs outposts has nothing to do with the recognition of Manchukuo and that such steps are necessitated by circumstances.

The negotiations which had been in progress between the Chinese and Japanese authorities regarding matters pertaining to the "Demilitarized zone" have come to a deadlock as a result of the uncompromising attitude on the part of the Japanese. It is believed that negotiations cannot be resumed until after General Huang Fu's return to North China.

At the request of the Japanese Consul at Tientsin, over 30 *huchiaos* (passports) were issued to Japanese nationals by the Hopei Provincial Government during last month for travel in the interior of China.

Prince Chichibu, who is now in Manchuria, will shortly pay a visit to the Great Wall region to inspect conditions along that region. Japanese and Manchukuo troops along the Wall have recently been considerably increased and outposts are made of all Chinese citizens who desire to cross the Wall to Manchuria.

The Japanese authorities have completed construction of the Hulutao Harbour and made it Japan's best naval base in northern Asie. Beginning from June 1 vessel were permitted to enter the harbour. It will be recalled that that the construction of the Hulutao Harbour was started by Marshal Chang Hsueh-liang, but before the construction was completed, the Japanese occupied Manchuria.

Liu Kei-tang, the bandit leader, who was recently driven from Shantung, has definitely accepted the appointment of the Manchukuo. Liu and Shih Yu-shan, a former Kuominchun commander, are both in Tientsin and they have been entrusted with the work of creating disturbances in China.

General Yen Hsi-shan, Director of Taiyuan Pacification Headquarters, who has recently been ill, is reported to have completely recovered, according to a Taiyuan message June 9. General Yen has been receiving many visitors during the past few days and visiting the neighboring villages. A run on the Shansi Provincial Bank and the Land Reclamation Bank caused by rumor-mongers was stopped as the result of assurances given by Taiyuan financial circles.

General Huang Fu, in an exclusive interview with *China Evening News* June 8, said that as head of Peiping Political Council, he has never failed to do his utmost to preserve territorial sovereignty of China. There has been, he continued, nothing in his records of the past year's tenure of office at the helm of affairs in the North for which he feels ashamed and which should keep his movements from being straightforward. He made clarification of his attitude in reference to various speculations and rumors regarding various Sino-Japanese issues notably that of resuming the through railway traffic between Peiping and Mukden and his activities in Shanghai which, he pointed out, are all groundless. Reports, for instance, alleging that he was frequently absent from home engaged in secret conferences with certain officials on the North China railway problem, General Huang cited, are pure fabrication.

According to a Nanking telegram published in the *Osaka Mainchi* May 31, Huang Fu has succeeded in obtaining a loan of $300,000 from the banking syndicate in Shanghai for the establishment of the traveling company at Shanhaikuan to handle through traffic on Peiping-Mukden Railway. The settlement of the question may not be referred to the Central Political Council, because it is simply technical.

Mr. Wang Chang-chun, special Commissioner of the City Government of Greater Shanghai Municipality, called on Akira Ariyoshi, Japanese Minister to China, June 8 at Mr. Ariyoshi's residence on Route Pichon. Mr. Wang and Mr. Ariyoshi talked for about half an hour. It can not be ascertained whether Mr. Wang called on behalf of General Huang Fu or in connection with affairs of the City Government.

According to reports in Chinese evening papers, a conference was lately held at General Huang's residence to discuss the question of through rail traffic between Peiping and Mukden. The conference was attended, besides General Huang, by Minister and vice-Minister of Railways Ku Meng-yu and Tseng Chung-ming, Vice-Minister of Foreign Affairs Tang Ju-jen and Ying Tung, managing-director of Peiping-Mukden Railway.

Sikong-Tibet Dispute Settled

An agreement for the settlement of the dispute on the Sikong-Tibetan border has been reached, according to a telegram received at Nanking June 10 from General Liu Wen-hui. The agreement provides for the disposal of the wandering Tibetan lames, the return to them of their former monasteries, their right to free reclamation of land, and the immediate withdrawal of the Tibetan and Sikong forces.

The party of Chinese delegation to Tibet which had travelled by way of India arrived at Lhassa, Capital of Tibet, June 3, according to a telegram received by the National Government June 11. The delegates are making arrangements with the Tibetan authorities for the reception of General Huang Mo-sung, the Government Envoy, who is now on his way to Tibet by the overland route via Sikong. General Huang is scheduled to arrive at Chamodo on June 20.

Interviewed at Shanghai June 9, Dr. Chu Ming-yi, Chief Secretary of the Executive Yuan, declared that the return of the Panchen Lama is now only a matter of time, all difficulties attending to his return having been completely removed. Dr. Chu said that the chief obstacle to Panchen Lama's return was Lungshar, ex-Commander-in-Chief of the Tibetan Army, and with his removal by murder as reported by *Reuter* dispatches from India, the Panchen Lama is sure of welcome from his fellow-countrymen in Tibet.

The Panchen Lama is still remaining in Shanghai on account of an accute toothache. He will return to Nanking before June 15, when he is scheduled to meet General Chiang Kai-shek, President of the Military Affairs Commission, who is coming to Nanking on said day. The question of his return to Tibet is now under consideration of the National Government, but his dparture is not likely to take place, until the Government has heard from General Huang Mo-sung after his arrival at Lhassa. During the past few days, he visited several foreign warships anchored in Shanghai. The first ship he inspected was the U. S. Destroyer, Scramento. On June 6, he inspected the British sloop, Sandwich and on June 7, he was taken aboard the Italian liner, Conte Rosso.

Anchin Hutuketu, personal representative of the Panchen Lama, called on General Chiang Kai-shek at Nanchang June 5 when he reported on Tibetan affairs.

Wang Ting-chang, technical expert attached to the Central Observatory, arrived at Hsining, Capital of Chinghai, June 7, on way to Tibet, according to a telegram received at Nanking. Mr. Wang was despatched by the Central Observatory last month to Tibet to arrange for the erection of a meteorological station at Lhassa.

With the restoration of normal conditions in Sinkiang, omnibus services on the highways in the northern and southern parts of that province and on those connecting with the province of Kansu have been resumed.

According to special dispatch from Tihua, the capital of the rebel government in southern Sinkiang has been recaptured by the Sinkiang provincial troops and the rebel forces have been completely routed. The message states that conditions in southern Sinkiang are rapidly returning to normal. Communications between Sinkiang and Suiyuan have been restored.

Over 2,000 representatives from the various public organisations and schools attended the inauguration of the Chinghai (Kokonor) Association for the Promotion of the New Life Movement at Hsining, capital of Chinghai June 4.

A meeting of the Suiyuan Association for Promotion of the New Life Movement was held June 5 at Shelitu, in Suiyuan.

General Chiang Due to Arrive at Nanking June 15

Saturday, June 16th, has been set as the date for the celebration of the 10th anniversary of the establishment of the Central Military Academy. The occasion will be graced by the presence of General Chiang Kai-shek, President of the Military Affairs Commission and concurrently Presidnet of the Academy, and Madame Chiang who are expected to come to Nanking from Nanchang on June 15. Taking advantage of the occasion, General Chiang will also confer with leaders of the Government on the various state problems. Among those who are scheduled to come to Nanking to meet General Chiang are General Huang Fu, T. V. Soong and the Panchen Lama.

Hsu Mo and Tang Yu-jen, vice-ministers of Foreign Affairs, left Nanking for Kiangsi morning of June 10 to interview General Chiang Kai-shek regarding certain urgent outstanding diplomatic issues. Mr. Hsu Mo sailed at 8 o'clock in the Chinese steamer *Hung Yuan*, while Mr. Tang sailed aboard the China Navigation steamer *Hsiang Tang*.

Chinese Press Condemns "Direct" or "Local" Negotiations With Japan

Expressing great disapproval of "direct" negotiations between China and Japan for the settlement of outstanding Sino-Japanese issues, the *Sin Wen Pao* on June 4 commented:

"The authorities who are in favour of direct negotiations are evidently under the impression that if Japan can get some special rights in China her aggressive ambitions will be temporarily checked. But they must realize that Japan's policy towards China can never be changed no matter what are the circumstances. She will never feel satisfied until she has occupied the whole of China. If China continues to give way it will endanger the very existence of the nation. In making concessions there must be a limit. It is suicidal to give concessions to Japan without thinking of the future of the country."

Commenting on the forthcoming trip to Nanking of Japanese Minister Akira Ariyoshi to exchange views with Government leaders for the settlement of the Sino-Japanese issues, the *China Times* on June 1 points out that too many issues have accumulated since 1914 that it is practically impossible to settle them within a given period. If any settlement of these issues is to be reached, the paper insists, the Manchurian issue should be used as a basis of negotiations. The paper says:

China has suffered enormously at the hands of the Japanese during the past years. The Japanese occupation of Shantung in 1914, the Twenty-One Demands of 1915, the rehabilitation and Nishihara loans of 1917 and 1918, the Changsha Incident of 1923 and the Tsinan Incident of 1928 all hurt the feelings of the Chinese people to the utmost. But they all sink into secondary importance when compared with the Japanese occupation of Manchuria. The bombing of Chinchow, fighting around Shanghai, occupation of Jehol and the Great Wall, threat on Peiping and Tientsin and finally the establishment of Manchukuo are all direct results of the Mukden Affair. Therefore, in attempting to settle outstanding issues between China and Japan, the Government must first bring up the Mukden Affair for settlement before taking up other matters."

Finally, the paper condemns the Japanese suggestion of dividing the outstanding Sino-Japanese issues into categories —those to be settled by the Central Government and others to be settled by the local authorities. China has suffered too much in the past through the so-called "Local negotiations." If the Central Government accedes to this Japanese suggestion again, the paper warns, China would simply fall into the trap of Japan.

Commenting on the first anniversary of the signing of the Tangku Armistice Agreement, the *Ta Kung Pao* at Tientsin on May 31 remarked that despite the lapse of a year, relations between China and Japan continue to be as abnormal as before. By signing the truce, China expected to live in peace with Japan and to liquidate the Manchurian issue in order that way may be paved for an economic rapprochement between the two countries.

"Unfortunately," the paper says, "our hopes have been belied by the course of events during the past year. Japan has not only persisted in her policy of military pressure and coercion but has extended her aggressions to South and East China with the ultimate object of converting this country into a vassal state. If there is any doubt on this score, it should be dispelled by the Hands Off China declaration of April 17, as well as the instructions given to Mr. Ariyoshi, the Japanese Minister to China, on his departure for Shanghai. Indeed, Japan is out not only for the economic but also political domination of China. Nothing short of the complete subjugation China will satisfy Japan. Under such circumstances it is impossible for any Chinese to advocate an economic rapprochement with Japan."

Stressing the importance of closer understanding between China and Soviet Russia, the Tientsin *Ta Kung Pao* on May 28 remarked:

"We are not among those who want to use Sino-Russian rapprochement as a weapon against Japan. Our reasons are different. In the first place, we feel that the failure of our diplomacy towards Japan makes it all the more imperative for us to keep on close terms with our western neighbour, Russia. Secondly, we are of the opinion that the peace of the Far East depends upon the existence of good neighbourly relations between Japan, China and Russia. The existing abnormal relations between China and Japan render it all the more necessary that China should be at peace with Russia. Thirdly, China must keep on good terms with Russia, if she is to have no anxiety regarding the security of her western frontier. There is one thing from the standpoint of China which makes for close relations between the two countries, and that is that Soviet Russia has no territorial designs on this country nor is she promoting a separatist movement in that part of China. It is true that the question of Outer Mongolia remains unsettled, but in the Sino-Russian Agreement of 1924 Russia clearly recognizes Chinese sovereignity over that outlying dominion, though a settlement along this line remains to be worked out."

After urging the necessity of settlement of outstanding Sino-Russian issues, particularly the problem of overland route between Sinkiang and Russia, the paper makes the following recommendations to the Government for reference in negotiations with Russia in future:

"In the first place, we maintain that China should practise a 'many-sides' diplomacy and pay particular attention to her relations with her strong neighbours. Secondly, China should avoid entering into any entangling alliance with any country. She must consider the practical interests of the country in dealing with the Powers. Thirdly, negotiations should be started with Soviet Russia at once for a commercial treaty and the settlement of all outstanding questions between the two countries. Fourthly, the Government should pay special attention to the situation in Sinkiang and the relations of the local authorities there with Soviet Russia. It should not be difficult for China to reach an agreement with Soviet Russia concerning Sinkiang, especially as Moscow has more than once expressed its opposition to the separatist movement in Sinkiang and disavowed any territorial designs there. We hope that during his forthcoming trip to Nanking Dr. Yen will take these questions up with the National Government."

Licensed Opium-Smoking Dens to be Opened in Kiangsu Province

In addition to authorized opium sales agencies, legalized opium-smoking dens are to be established shortly throughout Kiangsu province in accordance with the "Opium Suppression Regulations" promulgated by Kiangsu Provincial Government May 10, according to a report in *Shanghai Evening Post* June 11. The so-called "Opium Suppression Regulations" are said to be merely a camouflage for the enforcement of opium monopoly in this province, but they are not applicable to Greater Shanghai Municipality which is under jurisdiction of the Executive Yuan. The number of opium sales agencies and licensed smoking dens, the report states, is to be decided in proportion to the number of addicts. They will be opened as soon as the taking of the census of opium addicts is completed.

All addicts have been required to register before August 1 and apply for smoking licenses . There are four kinds of smoking licenses for the various grades of addicts, with the lowest fees for poor smokers.

The Kiangsu Provincial Government has ordered all of the districts under its jurisdiction to inaugurate the district opium suppression committees before June 15. The action is taken to accelerate the strict enforcement of the special regulations for "opium suppression."

Premier Saito Not in a Hurry to Resign

Due to delay in the progress of the judicial investigations into the scandal involving Hideo Kuroda, former vice-minister of finance, and three other high officials in the Ministry of Finance, the Saito Ministry has been able to hold out temporarily, at least. Premier Saito has repeatedly asserted that he will not resign in any event until all phases of the scandal are brought to light by the proper judicial authorities. Present indications are that the Cabinet will hold together at least until June 20.

General Ugaki, governor-general of Korea, departed from Tokyo June 12 on his way back to Korea to continue his duties as governor general. The chances of his ever becoming Premier have dwindled very much. His candidacy was strongly opposed by a section in the Army. The principal reason why Viscount Saito stays in office so long seems to be the difficulty of finding a suitable successor. Count Keigo Kiyoura has been spoken of as another potential candidate, but he is generally regarded as being too old. Special political significance was attached to a conference at the Hayama Imperial Villa between General Suzuki, Grand Chamberlain, and Kurahei Yuasa, minister of the Imperial Household, June 9.

For the moment it seems that the Finance Minister, Korekiyo Takahashi, is to act as the "shock absorber." A telegram from Tokyo June 9 stated that he had decided to resign from his post if his former Vice-Minister, H. Kuroda, should be found guilty of corruption in office. Mr. Takahashi feels that it is his duty to take full responsibility for the corruption of the Vice-Minister and other high officials in the Ministery of Finance, according to a report made by Yonezo Mayeda, a Seiyukai Party leader, to Kisaburo Suzuki, president of the Party, following a personal interview with the aged Minister of Finance. A report on the alleged corruption is to be made by the Minister of Justice, M. Koyama, in the near future. Political circles in Tokyo believe the Emperor would instruct Viscount Saito to form another Cabinet if the current Cabinet is forced to resign.

Communist Leader Gets 15-Year Sentence

Seigen Tanaka, leader of the reorganized Communist Party of Japan, was sentenced to 15 years' penal servitude at the Tokyo District Court June 9. He had been detained for one year, 10 months and 40 days awaiting trial.

Japan Wishes to Be Independent of U.S. in Bauxite Purchases

An agreement signed some time ago by a Japanese company operating aluminum works in Formosa to take 24,000 tons of bauxite every year from the Nibam Company, of Bintang, in the Netherlands East Indies, has been impeded owing to a disagreement between the Japanese and the Netherlands Indies Government on the question of transport. The deal was designed to make Japan to a large extent independent of American supplies of bauxite for the building of her air fleet.

Japan Cotton Spinners to Restrict Production

The committee of the Japanese Cotton Spinners Association of Osaka decided June 8 to curtail yarn production from October by 18.8 per cent of the capacity.

Increased dividends recently by many Japanese concerns reflect the boom enjoyed by war industries as the result of large appropriations sanctioned for the army and navy by the Diet.

Rengo says the export of low-priced Japanese bicycles to the Federated States of British Malay has become nearly hopeless owing to a discriminatory tariff imposed on these commodities in favor of British products. The Federated States' Government has imposed an ad valorem tariff of 100 per cent on Japanese bicycles, while it placed a low tariff of only 35 per cent ad valorem on British imports.

Japanese Consulate Opened at Pogranichnaya

The Japanese Consulate in Pogranichnaya, situated on the Siberia-Manchukuo frontier, was formally inaugurated June 10.

Brazilian Who Led Anti-Japanese Movement Is Dead

Dr. Miguel Couto, professor at the Rio de Janeiro National Medical College and author of the bill limiting future immigration to Brazil, died suddenly June 6. The measure, presented by Dr. Couto and recently approved by the Brazilian Constitutional Assembly, provides for a limitation of all immigrants to 2 percent of the total number of their nationals that have entered Brazil during the past 50 years. This would cause the decrease of Japanese emigrants to Brazil from 15,000 to 3,000 annually.

Number of Japanese Banks Halved in a Little Over Five Years

The number of commercial banks in Japan has been halved in a little over five years. At the end of 1928 exactly 1,031 banks were in existence, but to-day there are only 500. A further decrease is anticipated in the near future, reports the *Japan Chronicle*. Since the enforcement in 1928 of the revised Banking Law—fixing the minimum capital at Y.1,000,000 (Y.2,200,000 for Tokyo and Osaka and Y.500,000 for towns where the population is less than 10,000)—the Dpartment of Finance has spared no efforts to induce all small banks to increase their capital or amalgamate with others so as to attain the official limit. The financial panic in in 1930, 1931 and 1932 accentuated such readjustment. Amalgamations fell markedly in 1933, when they numbered only 22. This year sixteen banks have so far gone out of existence, including four in May.

The Department of Finance will effect no change in its banking policy. It will support all powerful provincial banks so that they may form banking centers in their districts. If there are dangers of these banks indulging in reckless competition, the Department will force them to amalgamate. It is expected that the number of banks will fall further, though not so rapidly as in the past.

"Japan Chronicle" Is Center of Permanent Lease Controversy

The question of permanent land leases held by foreigners in Japan has again come to the fore, through the Kobe Municipality taking direct action, against the *Japan Chronicle* and others, for refusing to pay taxes to the Municipality. The said paper has championed the cause of those who hold such leases and urged them not to pay the taxes. On June 12 the Kobe authorities sealed a number of articles at the *Chronicle's* plant and threatened to seize the printing machinery if the taxes were not paid. The authorities did not interfere with the publication of the paper. The British government has protested to Tokyo on the action of the Kobe authorities, particularly at a time when the British and Japanese governments are noegotiating a settlement of the question.

Yokohama Specie Bank President Reviews Economic Situation

The address of Kenji Kodama, president of the Yokohama Specie Bank, at the ordinary general meeting in Tokyo, March 10, has been published in brochure form. Mr Kodama, as usual, reviewed not only the financial and commercial situation in Japan, but throughout the world in general. Referring to the situation in North China during the latter half of the year 1933, Mr. Kodama says that although peace was restored and the anti-Japanese situation quieted down, the outlaws were still active and the peasants in the interior became more and more distressed. The export of raw cotton to Japan amounted to merely 42 per cent of that in the same half of the previous year, being severely affected by both the short crop and inferior quality, and the decrease was barely offset by a gain in the export of cereals.

Trade Problems Not Discussed, Says Mr. Latham

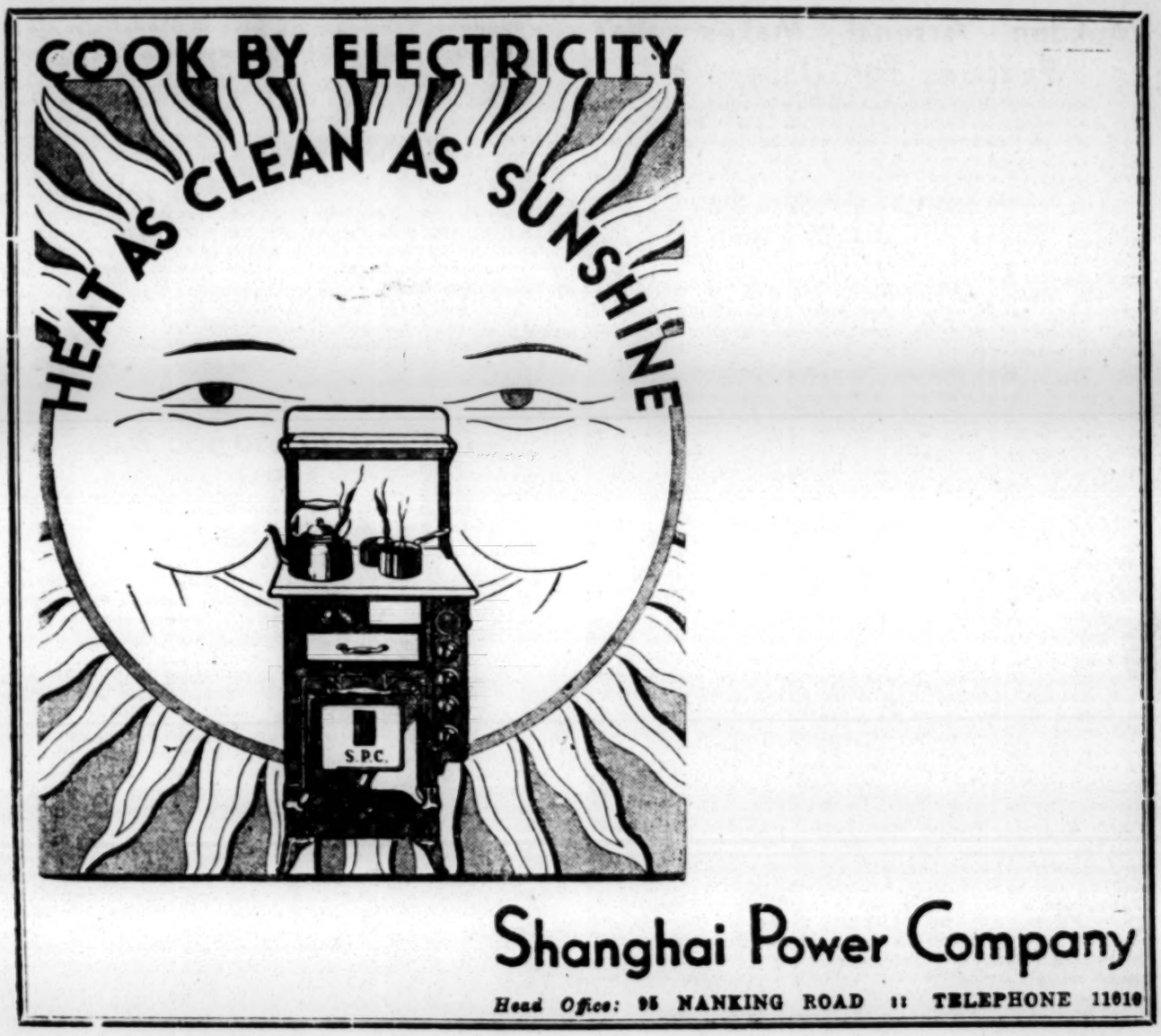
J. Greig Latham, Deputy Prime Minister of Australia, returned to Brisbane, June 12, from his mission to China and Japan. The visit, he said, caused a better appreciation of Australia's aspirations and ideals in Japan but no immediate tangible results were expected because the subject of trade between Japan and Australia was not discussed. Trade problems are the subject of negotiations under way between the Minister of Commerce, Mr. Stewart, and the Japanese Consul-General in Australia, Mr. Latham said.

Manuel Quezon Triumphs in Philippines Elections

A bitter political fight in the Philippines came to an end in the tri-annnal legislative election June 6. The faction led by Manuel Quezon, President of the Senate, was generally successful over the faction led by Sergio Osmena. However, the leaders themselves were both re-elected to the Senate. The rivalry between the two factions arose out of a split on the independence issue. Mr. Quezon and his followers fought for, and obtained, the rejection of the Hare-Hawes-Cutting Independence Act, while the opposition bloc demanded acceptance of the original offer of freedom made by the United States Congress.

Mrs. C. T. Wang Proceeds to Europe to Attend Various Women's Conventions

Mrs. C. T. Wang, associate general secretary of the China Women's Christian Temperance Union, departed last week for Europe to attend various conventions. She will represent the China Council in Paris between July 2 and 12 at the international conference of the International Council of Women. From Paris she will proceed to Sweden, where she will attend the world conference of the W. C. T. U. in Stockholm from July 20 to July 26. Mrs. Wang has also been asked to attend the International Students' conference which will be held in Geneva August 4 to 10, representing China.



Chinese Place Railway Orders for £300,000 in England

Contracts to the value of £300,000 were placed in England during 1933 by the Chinese Government Purchasing Commission in London, according to the Commission's annual report. The Commission buys railway materials and other equipment in England for the Chinese Government out of the British Boxer Indemnity money. The total expenditure of the Commission since it commenced operation is now £1,060,000 sterling.

The following contracts have been awarded by the Commission for machine tools and equipment required for the Hangchow-Kiangshan Railway, to be supplied to the inspection of Fox and Mayo, consulting engineers :—

Fellows Bros., Limited, Cradley, Heath, hydraulic jacks.

Craig and Donald, Limited, Johnstone, bending tools, splitting shears and punch and serpentine shears.

Hancock and Co. (Engineers), Limited, Croydon, oxyacetylene welding plant.

Globe Pneumatic Engineering Co., Limited, West Minister, pneumatic tools.

Rice and Co. (Leeds), Limited, wheel press (hydraulic) and hydraulic accumulator, pump and riveter.

Muir Machine Tools, Limited, Manchester, axle brass-boring machine and horizontal boring machine.

Selson Machine Tool Co., Limited, Westminister, portable cylinder-boring machine and portable crank-pin turning machine.

G. D. Peters and Co., Limited, Slough, portable electric welding machine.

Flexible Drive and Tool Co. and Black and Decker, Limited, Slough, portable electric grinders and drills.

Denstone, Moore and Company, emery wheel grinders and surface grinding machine.

D. Mitchell and Co., Limited, Keighley, and C. Redman and Sons, Limited, Halifax, lathes and planing machine.

Chas. Winn and Co., Limited, Birmingham, pipe and bolt threading machines.

Webster and Bennett, Limited, Coventry, boring and turning mill.

C. M. Hill and Company, South Place, E. C. slot-drilling and keyway-cutting machine, and portable benches and vices.

H. F. Atkins, Peterborough, slotting machine.

F. Town and Sons, Halifax, radial drilling machine and shaping machines.

Westwood and Wrights, Limited, Brierley Hill (Staffs), cupola.

J. Parkinson and Son, Shipley, Yorks, unive.sal drilling machine.

E. G. Herbert, Limited, Manchester hack-sawing machine.

Alldays and Onions, Limited, Birmingham, preumatic forging hammer and smiths' hearths and tools.

B. and S. Massey, Limited, Manchester, steam hammer.

Wm. Allday and Co., Limited, Birmingham, oil-fired forging and tyre heating furnaces, duplex blowing fan and brass furnace.

Greenwood and Batley, Limited, Leeds, forging machine.

Oldfield and Schofield Co., Limited, Halifax, wheel lathe.

John Pickles and Son, wood-working machinery.

Joseph Adamson and Co., Limited, Hude, Cheshire, steam boiler.

General Electric Co., Limited, Witton, air compressor.

R. and J. Dempster, Limited, Manchester, gas-producing plant.

Alfred Herbert, Limited, Coventry, turret lathe.

Mukden Arsenal Makes War Weapons for Japanese

The Arsenal at Mukden, established by he late Marshal Chang Tso-lin and undoubledly better equipped than any arsenal in China, is now busy manufacturing war weapons for the Japanese. Additional workers have recently been taken on and the arsenal itself has been considerably enlarged.

Japan Reorganizes Manchukuo Army

According to information from Japanese sources, the authorities have completed the reorganization of Manchukuo troops. The total strength of the Manchukuo army is 120,000 men, organized into 28 regiments.

One field hopital bas been established by the Japanese at Tungtaying, or the Northern Barracks, outside Mukden and a large number of surveyers have been sent to the Manchuria-Siberian border to survey the surrounding territory.

More Japanese Troops Enter Jehol

A special Peiping telegram received in Nanking June 11 stated that recently 3,000 Japanese infantry arrived at Chienwei outside the Great Wall on the Peiping-Mukden Railway and from there they proceeded to march westward towards Jehol. These troops are to be stationed at Linyuan and Linnan and will evidently establish connections with the Japanese 7th Division at Dolonor.

The construction of the Hulutao harbor, which was carried on by the Japanese some time ago with a capital of $500,000 invested by the so-called Fengtien-Shanhaikwan Railway, was completed on June 1. It will serve as a convenient naval base for the "Manchukuo" navy.

Prince Chichibu Returns to Japan

Prince Chichibu, younger brother of the Japanese Emperor, who arrived in Hsinking June 6, reviewed about 1,000 crack Manchukuo troops in the South Manchurian Railway zone, June 8. It was previously planned to have Prince Chichibu pay a brief visit to Peiping after inspecting the Japanese troops along the Great Wall, incidentally calling on the Chinese authorities at Peiping, but this idea was later abandoned. Prince Chichibu and members of his mission were guests at a farewell luncheon given by Emperor Kang Teh at Changchun, June 11. The party left the following day for Japan via Mukden and Dairen.

Funds Wanted to Provide More Judiciary Experts from Japan

The Manchukuo Ministry of Justice has requested an appropriation of $10,000,000 for the next fiscal year in order to facilitate the withdrawal of extraterritorial rights in Manchuria. The estimate is now being studied by the Bureau of Accountants. The Ministry asks for $1,080,000 to engage 30 judiciary experts from Japan during the next fiscal year, in addition to the 20 Japanese judges, public procurators, county clerks, and interpreters engaged during the present fiscal year in higher Manchukuo courts in Changchun, Mukden, Kirin, and Harbin.

Kidnapper of American Missionary Is Executed

A Mukden message June 8 stated that Peng Fei, the bandit chieftain who captured Dr. Niels Nielsen, American Lutheran medical missionary at Hsiyuan, last year, was taken by Japanese troops while hiding in Ertaoyangho on June 5 and immediately executed. Dr. Nielsen, who is head of the Lutheran mission at Huiuyuen, 110 miles south of Mukden, was kidnapped by Peng Fei's brigands on April 11, 1933, and was held for $500,000 ransom. Japanese troops, however, succeeded in effecting his release.

Many Chinese Laborers Proceed to Manchuria

About 60,000 Chinese workers left Shantung and Hopei provinces for Manchuria during the months of April and May. Some are engaged in road construction work; others are working in Japanese steel factories.

New Electric Light Supply for Shanhaikwan

A joint Manchu-Japan stock company, known as the Shanhaikwan Electric Company, capitalized at $100,000 and sponsored by the Yingkow Waterworks and Electric Co., will supply Shanhaikwan with electricity commencing June 20.

Any person wishing to carry on any form of banking business must send in an application to the Minister of Finance by the end of his month under the terms of the new Banking Law. More than 100 such applications were received up to June 11.

Manchurian Boats Warned to Keep Away from Soviet Shore

The Harbin *Nichi Nichi* recently stated that in order to avoid further misunderstandings, the Harbin Shipping Syndicate has issued orders to all steamers on the Sungari to keep away as far as possible from the Soviet bank of the Amur, to refrain from stopping near the Soviet bank, to increase speed whenever passing by the Soviet constructions, and to warn all passengers that they should not use photo cameras of fieldglasses.

Mexico Refuses to Recognize Manchukuo

A telegram from Mexico City June 12 stated that Mexico had rebuffed Japan in the latter's attempt to secure recognition.

Japanese Wrest Surpremacy in Manchuria Bean Export Business from European Shippers

Nearly two-thirds of the Manchurian beans exported to Europe since last November were shipped by the Yamashita, Mitsui and Mitsui and Mitsubishi corporations. That was the outstanding feature of the export season nearly ending, as in former years European shippers handled more than half the annual bean exports here.

A survey of bean export statistics for 1933 and this year (*Manchuria Daily News* June 1) indicates that the Japanese shipping firms generally held their own this year, while the foreign shippers, headed by the East Asiatic Company, greatly curtailed their shipments during the past winter and current spring, as compared with the previous season.

Last year's bean shipment to Europe from Dairen was estimated at around a million and quarter tons, and this year's about a million tons. In addition, some quarter million tons of Manchurian beans are being exported from Vladivostok this year, which are handled by European exporters.

Soviets to Build 630,000 Autos in 1937

Automobile plants to be completed during the Second Five Year Plan in Russia are scheduled to produce 630,000 automobiles annually. In order to attain this output, two plants with an annual capacity of 100,000 three-ton trucks each, and two plants each with an annual capacity of 25,000 heavy trucks must be constructed. The Stalin Auto Plant must also be extended to an annual output of 80,000. The new plants will be designed exclusively in the U.S.S.R. by Soviet engineers and foreign specialists working in the country.

Seven of 29 high Soviet officials being tried in Kiev on a charge of having sold considerable stocks of food and clothing privately, were sentenced to death by shooting June 6.

The question of the rouble-yen exchange rate in connection with fishing in Maritime Province, is to be definitely settled at a conference to be convened in Moscow in near future. Sukeatsu Tanakamaru of the Japan-Russia Fishing Co. is proceeding to Moscow to represent the Japanese fishing interests in the negotiations.

Japanese File Protest Against "Tass" Report

The Japanese Government June 9, filed a protest with Moscow against the alleged dissemination of false propaganda by the *Tass* News Agency regarding the recent incident in which a Manchukuo ship on the Amur River was fired upon from the shore. The *Tass* Agency reported that K. Ohta, Japanese Ambassador to Russia had told M. Boris Stomoniakov, acting Foreign Commissar, that Manchukuo bandits, instead of Soviet frontier guards, had fired on the vessel. The Japanese Government requested that the Soviet Government correct the report immediately on the grounds that Mr. Ohta had made no such statement.

Rumania and Czechoslovakia Enter Into Diplomatic Relations with Soviets

Exchanges of letters at Geneva June 9 marked the establishment of normal diplomatic relations between the Soviets and Rumania and the Soviets and Czechoslovakia. In the letters exchanged the usual provision is contained that the respective parties pledge themselves not to establish, support or permit on their respective territories the existence of organizations aiming at armed struggle against the other party, or attempting to overthrow by force its political and social regime, or advocating or preparing terroristic acts against its official representatives, etc.

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Bandit Attacks on C. E. R. Coincide with Campaign to Take Away Business

According to reports from Harbin, the Assistant Chairman of the Board of the Chinese Eastetn Railway, Mr. Bandura, has sent a letter to the Chairman, Li Shao-keng, stating that with the coming of spring the activities of bandits have increased, particularly on the eastern section of the railway. At the same time, Mr. Bandura alleged, the headquarters of the railway guard troops does not take adequate measures to protect the railway and the safety of its employees and passengers. Mr. Bandura requested that the guards be reinforced and effective measures be taken to protect particularly the eastern line, along which most of the attacks have occurred. *Tass* messages state that these increasing bandits' attacks on the eastern line of the C.E.R. always coincide with a fresh campaign directed towards taking away the export freights from that railway.

A recent Harbin message stated that more than 15,500 persons are employed by the Chinese Eastern Railway. Of this number 6,800 are Soviet citizens, 8,300 Manchurians, and 400 White Russians.

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Gyroscope Engineer Sees Unlimited Possibilities for Aviation in China

Charles S. Russell, engineer attached to the Sperry Gyroscope Company, who recently arrived here on a tour of China, in an interview said he was astounded at the wonders done by the commercial and military groups here in the development of aviation. It was a revelation, he said, adding. "And China is such a vast country, it strikes me that there are truly unlimited possibilities for the development of aviation."

No Impediments to Shanghai-Sinkiang Air Service at Present

The Eurasia Aviation Company has received a telegram from General Shen Shih-tsai, Garrison Commander in Sinkiang, reporting that the Mohammedan troops under General Ma Chung-ying have left for southern Sinkiang and that there is now nothing to prevent the Eurasia Company from resuming its air service to Tihua. According to information from the Eurasia Aviation Corporation, Li Ching-chung, General-Manager of the Corporation, visited Nanchang this week, where he conferred with General Chiang Kai-shek, on the question of resumption of the air service to Sinkiang. It is learned that General Sheng recently petitioned the Ministry of Communications to establish a separate aviation company in Tihua by the Sinkiang Provincial Government to handle mail and passenger air traffic with Shanghai, but the petition was sternly rejected by the Government.

China has accepted the invitation to attend the International Aerial Photographic Survey Conference, which is to be held in Germany in December. The General Staff Deparrment will appoint a delegate to the conference.

More Government Airplanes Enter Fukien

Two additional air squadrons of the Central Government arrived in Fukien last week. Recently one squadron of sixteen planes arrived at Changchow from Hangchow, while the other squadron is now on its way to Changchow. Both squadrons are well equipped with fighting weapons. They consist of bombers, pursuit and battle planes. A large amount of arms and ammunition is reported to have been shipped to Amoy from Wenchow in Chekiang.

On the recommendation of General Ho Ying-chin, Minister of War—Colonel Mao Pang-chu, Vice-Principal of the Hangchow Flying School, (according to a decision reached by the Executive Yuan) will be despatched to Europe and America as the Ministry's special commissioner to study the progress of aeronautics in various foreign countries.

A recent Japanese message from Hongkong stated that the "Chungkuo" Aviation Company, which recently inaugurated a regular aerial service between Shanghai and Canton, has applied through the Nanking Foreign Office to the British authorities of Hongkong for permission to establish a landing place in Hongkong Harbor. The British authorities at Hongkong are stated to have replied that if China permits the extension of the air route between England, Singapore and Hongkong, to Shanghai, they will give the permission.

A spacious air field has been established at Liuchow in Kwangsi where 40 planes of various types are concentrated.

Tsai Ting-kai Makes Study of Aviation in Italy

General Tsai Ting-kai, former 19th Route Army commander, telegraphed to General Chen Chi-tang last week reporting his arrival in Italy. General Tsai declares that he is now conducting a systematic study in the science of aviation in Italy. He may also visit Soviet Russia to study aviation.

Soviets Have Centralized Airplane Production Equipment

The well-known airplane constructor Herr Fokker, interviewed in Amsterdam June 8, after a tour of the Soviet Union, said the Soviets today possess a completely centralized and perfectly functioning production equipment. Russia has provided herself with giant transport planes and bombing machines. Applications for training as pilots are legion, about 10 per cent of those qualifying being working women. Nowhere in western Europe are better equipped flying schools to be found, Mr. Fokker declared.

U. S. Navy Air Force To be Enlarged

The U. S. Navy is planning to complete all of the aircraft-carrier tonnage permitted under the Washington and London Naval Treaties. Last week, the new aircraft-carrier *Ranger* was launched at Newport News, Va., bringing the total tonnage of this class of vessel, not including the *Langley*, to 79,800 tons, the tonnage of the *Ranger* being 13,800. Two other aircraft-carriers, each of about 20,000 tons displacement, have already been laid down or appuopriated for.

A French naval seaplane burst into flames June 7 during a trial flight over the Etang de Berre naval base. The four occupants jumped into the water. Three were saved; one perished.

A Mexican commercial plane crashed in the State of Chiapas June 9, killing all six occupants.

Japan's Manila "Stunt" and What it Means

BY RICHARD L. JEN (任 培 道)

LIKE a wasp's appetite Japan's lascivious passion for conquest is insatiable. The variegated hoodwinking tactics she manipulates to court world recognition of her ill-gotten gains never run short. Front page stuff to that effect as published since Feb. 24, 1933, when the "Parliament of Mankind" at Geneva pledged to diplomatically boycott "Manchukuo," serves eloquent testimony that there is nothing under the sun Japan would not do in an attempt to inveigle the Powers into de facto recognition of her illegitimate creation, by hook or by crook. To sabre-rattling Japan there exists no such thing as the universal code of right or wrong. Thirty-two months ago she struck her premeditated blow in Manchuria and waited to see which way the wind of world opinion blew; but today, whatever crime she commits, she no longer cares what others think; she ignores it.

With the exception of Dai Nippon the catastrophe of 1914-18 had taught the world a lesson: it had convinced them that the ways of the primitive man "to fight it out" was not the shortest cut to untying knotty disputes. So they cooperated to build up, step by step, a moderately smooth peace machinery, but the "New Order" which they had so conscientiously travailed for for thirteen consecutive years to bring into shape, the sword of Samurai hacked down by one stroke; for Japan, as prophetic H. G. Wells said in 1922, "had most of the fun and little of the bitterness of the Great War."

Two years ago the dwarfish giant of the Far East sought in every way possible to explain away her guilty conduct in Manchuria, but today she needs no longer bother to do the explaining. The world has gone numb, and she knows it. Her one ambition during the past months has been to force China into polite acknowledgement of the existence of "Manchukuo." Already morally ostracised, she has no more prestige to lose, and so whatever obstacles that clog the wheel moving towards her goal, she destroys.

The illegal dissolution of the 21-year-old Far Eastern Olympic Federation by Japan, brought about by disreputable machinations and the backing of rascal force, is an excellent example in point. For those who might have missed the telegraphic dispatches from Manila, the background circumstances that led to the dastardly act of destruction were briefly in this wise.

About a month and a half before the opening of the Tenth Far Eastern Olympiad at Manila on May 12, Japan sent an official communication to the Olympic Committee applying for the admission of "Manchukuo" to the competitions. Naturally China objected on the legal grounds that no such state as "Manchukuo" existed on the map, and if ever athletes from the Northeastern Provinces of China, which are temporarily under the domination of mad Japanese warlords, participated in the competitions, they should by world recognition be a part of the Chinese delegation.

The Conference at Shanghai

According to Article Three of the Constitution of the Far Eastern Olympic Association, a country may be formally admitted to membership and representation only by the unanimous vote of the member-states comprising the Association. Knowing that China would never vote for the admission of the puppet state to the Association, Japan resorted to drastic measures, as had been customary of her conduct all along, to get what she desired. Upon her request a triangular conference was held in Shanghai on April 9 with the participation of Chinese, Japanese and Filipino delegates. Japan proposed an amendment of Article Three—which as a matter of fact was brought into existence by Japan herself in 1930 for the purpose of barring Korea from applying for membership—to the effect that two-thirds approval be sufficient for the admission of any new state to the Federation.

The Shanghai Conference, as was predicted, came to a deadlock on account of firm Chinese opposition. China threatened to withdraw from active participation in the Manila Meet if "Manchukuo" was to be included, while Japan intimated that she would take a similar step should the puppet state be barred. To compromise, as they were not willing to see the Games postponed owing to the amount of money already spent in preparations, the Filipino delegates hinted to the Japanese that the question would be finally discussed at Manila following the conclusion of the Olympic Games.

As scheduled, the odious issue was again brought up for discussion at the Executive Committee meetings of the Olympic Federation at Manila. The same proposal to amend Article Three was pushed forward only to meet the equally stubborn opposition from the Chinese delegates. Again to seek a middle course, the Filipinos proposed to amend Article Ten in such a way as to give the host country of the Olympiad the privilege to invite any country to take part in the competitions. China dissented as the Filipino proposal would mean practically the same thing as the Japanese one, namely to give Japan the power to invite the puppet state to the Games when it would be held in Tokyo in 1942.

At the second meeting of the Executive Committee of the Federation held on May 20 the Japanese delegates insisted that the modified Filipino version of the Japanese proposal be put to vote right there and then. Chinese envoys, rightly, refused to vote on the ground that delegates from Annam and the Dutch East Indies, the two new member-states of the Federation, were absent, pointing out that even if the Japanese and Filipino delegates voted in favor of adoption of the proposal, it would not be constitutional as a two-thirds vote was required to legalize any adoption of new proposals. Their voice unheeded, the Chinese delegates walked out of the conference.

Inwardly the Nipponese delegates smiled a self-satisfying smile following the withdrawal of the Chinese delegates, for the chance of a free hand was exactly what the gentlemen from the land of cherry blossoms had waited for. On the following day, we were told, a "special" conference was called, naturally, without the knowledge of the Chinese. The Japanese Consul-general at Manila was understood to have also attended the meeting as a "spectator." Without mincing words, the Japanese, pounding their iron fist on the conference table, declared that everything had gone wrong and demanded the dissolution of the Far Eastern Association. The Filipino delegates, (we pity them, for what else could they do?), nonchalantly acquiesced. And so the 21-year-old athletic institution was "wrecked," to quote a word as used by *Reuter's* Manila correspondent.

Immediately following their "sabotage" tactics the Japanese with the cooperation of the Filipinos, organized "The Oriental Athletic Association," and without losing time extended a cordial invitation to "Manchukuo" to take part in the inauguration Championship Games due to be held in Tokyo in 1938.

That in short was the story of Japan's Manila "game." She accomplished at Manila what she had failed in at Shanghai and at Los Angeles. I mention Los Angeles, because at the last World Olympiad held at that fair city of sunny California, as many probably still remember, Japan clamored for the admission of "Manchukuo" to that athletic carnival of nations. She even released tons of publicity copy to the press to the effect that Liu Chang-chun, a full-fledged Chinese citizen born in Fengtien, would represent "Manchukuo" at the Los Angeles jamboree. Her publicity stunt, however, humorously flopped as the World Olympiad Committee told Japan that her "illegitimate child" was not welcome. Liu was invited to the Meet as China's lone delegate.

But what does Japan's Manila "stunt" mean? Many people think that the squabble at Manila was merely a sporting incident, a quarrel over "constitutional procedure." Then why the big fuss, making mountains out of molehills? If it were Bulgaria, Finland, or any country other than Japan, which had been the trouble-maker, the dispute would certainly have popularly been looked upon as a trifling incident. But not Japan, unreasonable and cunning as she always has been in her diplomatic dealings with weaker neighbors. Done by Japan nothing that goes out of track is incidental; every little move she makes without doubt has been cogitated upon to the minutest details with a sinister motive.

A Card Game at Pistol Point

It may seem bigoted at the present juncture of acute Sino-Japanese relations to imply that whatever Japan does is wrong, but the fact remains that she has been and still is playing her card game with China with a pistol in hand. It is clear as daylight that after she has been snubbed, rebuked and reprimanded in no uncertain terms by the world at large for her bellicose conduct in Manchuria, Japan must do something, in fact anything, to have her puppet recognized de facto if not de jure. Now that the front door is barred she must get her into the family of nations through the back-way.

Superficially Japan could never accomplish much in the matter of improving the status of the puppet state merely by smuggling her into any world family gathering, but her destructive gangster mannerism at Manila only proved that the Japanese national psychology has, as a result of the helplessness of the Powers to check her imperialistic designs, been moulded in such a way by the influence of the military clique that the people of Dai Nippon really begin to believe that "Mikado rules the waves" of the Far East, and eventually of the entire world. With such a state of mind, Japan would consider it a blow to her prestige, in whatever dealings she has with her Far Eastern neighbors, if she could not have her own way.

Such national psychology of a continually rising country is a distinct menace to world peace. Unless such insolence and fearlessness are challenged by a force equally fearless, there is no telling where would be the journey's end of her militaristic expansion tour. It would be out of place to link her Manila "diplomacy" with her recent "Hands Off China" declaration to the world. There is however no mistaking the fundamental fact that her immediate ambition today is the complete domination of China as a prelude to her bigger dream of hegemony over the whole of Eastern Asia.

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That the Far Eastern Olympic Association has been illegally dissolved by Japan is in itself not an important question. The issue, as Dr. C. T. Wang declared in Nanking after his return from Manila, would be referred to the World Olympic Association and a verdict of guilty will no doubt be pronounced by the World Olympic jury. But what matters most significantly is the insolence of the Japanese attitude. Japan had occupied Chinese territory, bombarded Shanghai, torn international pacts into scraps of paper: what does she have to worry about over the "murder" of a mere athletic organization?

Those who have made a close study of Japan's foreign policy subscribe to the views that while she has been sleeping happily over the idea that the Powers, burdened already up to the neck with internal economic troubles, would not take up the task to wage war on her over other people's business, Japan has been slowly embarking upon the program of forcing a protectorate over China, with whose help she expects to conquer the U.S.S.R. With China and Soviet Russia in her possession Japan would find no difficulty extending her arm of control to the Philippines, the Dutch East Indies, and may be also India. Perhaps then the Powers would wake up, but a trifle too late.

Tientsin, June 6, 1934.

Sir John Simon Says District Court Question Is a Complex One

Sir John Simon, the British Foreign Secretary, replying to questions in the House of Commons June 6 regarding the District Court in Shanghai, said that he was unable to afford any information beyond a reference by a Chinese news agency in December that a revision of the civil procedure of the court was beginning, and it had been stated that measures relating to revision would apply to international courts. Sir John added that the question was a complex one.

Chinese Pupils in Settlement May Now Participate in Government Examinations

The Chinese government has notified the Shanghai Municipal Council that pupils of the Council's secondary schools for Chinese will be allowed to participate, if they so desire, in the government joint graduation examinations for middle school students in Shanghai. Students who pass these examinations will qualify for admission to Chinese institutions of higher learning on the same terms as those accorded graduates of government and private Chinese secondary schools. Hitherto pupils attending the Municipal Council schools have beeen unable to enter for the Chinese government examination because the S.M.C. schools were not recognized by the Ministry of Education. This disability has now been removed.

Cigarette Strike at Pootung Shows Little Change

Comparative quiet has of late marked the strike at the No. 2 Pootung factory of the British Cigarette Company. The strikers are busily engaged in distributing propaganda and issuing manifestoes. On June 7, 40 members of the strike committee held a meeting at the 5th district Cigarettee Workers Union, 78 Lan Nyi Doo Road, Pootung, and reached decisions that two delegates be appointed to go to Nanking and present the strikers' case to the authorities there, and that no Chinese be allowed in the factory for work of any kind.

The Shanghai Press Labor Union has issued a manifesto requesting the authorities to effect a speedy settlement to the labor trouble in the B. A. T. Factory. The Union says the strike movement in the B. A. T. Pootung factory is the direct result of the oppression of the imperialists.

The *China Times* June 6 stated that the strikers are calling on the Municipal Government to make another appeal to Mayor Wu Teh-chen. They are demanding three things: that the Company should bear the medical expenses of the workers who were injured in the free fight last week; that the Company should refrain from taking drastic action, or the Company shall be held responsible for all consequences arising out of it; and that the Company shall apologize to the Labor Union.

Plan to Have Russians Replace Chinese Strikers Fails

Of the 50 White Russians who have been engaged by the management since the strike, about 10 are operating in the boiler room of the factories in Pootung. The remaining 40 have been paid off owing to their inability to work in the face of picketing activities of the strikers.

Finance Minister Kung to Mediate

Dr. H. H. Kung, the Finance Minister, has received instructions from the Government to make investigations into the B.A.T. strike situation and to devise measures to effect an early settlement. It is understood that Dr. Kung will start exchanging views with the authorities concerned and will discuss with the B.A.T. Company regarding measures for a speedy settlement.

Kiangwan --- Future Expansion of Shanghai

BY B. Y. LEE (李炳鄂)

DURING the past several decades, Shanghai has seen remarkable development. Despite the present stagnation of trade and uncertainties and gloomy views held by some alarmists in regard to the future of Shanghai, due to military activities of Japan in this metropolis, particularly in the Hongkew district, a majority of local residents believe that the growth of the city will be more speedy in the future. According to the latest statistics, there are 3,362,836 persons in all-Shanghai, including 91,999 foreigners. There are 1,848,449 Chinese residents in the Chinese controlled areas, 971,397 in the International Settlement and 478,755 in the French Concession. The statistics show that the total population has increased about 5% since the Sino-Japanese hostilities of 1932, in spite of the fact that more than 9,000 houses and shops in Chapei were destroyed by Japanese gunfire during the hostilities.

In normal times, it is estimated that Shanghai's industries increase at the rate of about 20% per annum, and correspondingly, the increase of population should also be at least from 5% to 10%. For the past century, Shanghai has doubled its population almost every decade, until now it stands first in the roll call of Chinese cities and fifth in rank in the world, only next to London, New York, Chicago, and Tokyo. Except Shanghai, these above-mentioned metropolises have a population of from 5% to 10% of the whole country. Shanghai, the progress of which should follow the example of the world, will double or even treble its population within the next few decades. Consequently the present populated areas are too small for its future expansion, and an outlet for its surplus population must be sought after. The International Settlement and the French Concession are already too thickly populated and the value of land is too dear to attract general investors. Nantao, which is a Chinese controlled area, is too far from the heart of Shanghai, and besides, communications and tranpsortations are inadequate, while Chapei, lying on north of the International Settlement, is too small an area for future expansion.

Theoretically speaking, there is but one Shanghai by name, but practically speaking, there are three Shanghais: namely, the French Concession, the International Settlement, and the Chinese controlled areas, which,collectively constitute the "Greater Shanghai" controlled areas, which, collectively constitute the "Greater Shanghai." The latter areas consist of Nantao, Chapei, Kiangwan, and Woosung, and are under the Chinese jurisdiction, and are governed by a Chinese mayor, who is appointed by the National Government. The area of Greater Shanghai is over 700 square miles, which, if properly developed and with good protection offered, will afford an ample room for millions of new inhabitants in future. Already a network of new roads has been constructed, and modern communications have been installed. The value of land, especially in Kiangwan, is very low in comparison with that in the Settlements, and the common man has every chance to own a home there, while, it is almost impossible for him to buy even a small lot in the Settlements. Kiangwan has great prospects of future development, as the new Civic Center is built and a new wharf is being constructed in Kiangwan.

Modern Banks Around the Civic Center

The vast stretches of grass-covered lots in Kiangwan, being only a quarter of an hour's ride from the heart of the city, will shortly be a residential center, due to rapid development of the New Civic Center. The total cost of the contruction of the Center was over one million dollars, and was completed last fall. Of course it is not expected that the new Civic Center will spring up as a well-developed city over night, just as the International Settlement did not overnight have asphalt roads, concrete pavements, street cars, modern offices, apartments, etc. The Municipality of Greater Shanghai has an ambitious program. The Chinese of Shanghai will soon have confidence in themselves and will not be dependent on outsiders to develop a city for them. They must build a new city with their own efforts and give concrete evidence of their innate ability to create. Several modern banks in Shanghai have already built many blocks of new houses, both for rent and for sale, around the New Civic Center, and it is the first time in the history of Shanghai that the Chinese bankers have become interested in the development of a new city. A greater percentage of the land in the New Civic Center is held by the local Chinese bankers, and they are waiting for appreciation of price in the near future.

The ambitious program of the Municipality of Greater Shanghai has been already partly realized. A million dollar Stadium, which will be built in the new Civic Center of Greater Shanghai, will be completed by August, 1935, according to formulated plans. The stadium will be able to accommodate 60,000 spectators; the swimming pool, 5,000; the gymnasium, 4,000; besides a tennis stadium and a baseball ground, of 5,000 each, thus making a total, seating 77,000; including standing, 100,000. The Kiangwan Civic Center Telephone Bureau, a branch of the Nantao Telephone Administration, will be operating by the end of July. When completed, the new bureau will replace the one in Nantao, which has served as the connecting link in telephone communication between the Settlement and Chinese territory since the installation of the automatic system. The erection of the Kiangwan Child Welfare Sanitarium in "Yih Yuen," next to the Kiangwan Race Course, under the auspices of the National Child Welfare Association of China, in memory of late Mrs. E. S. Cunningham, will take a period of three months to complete. Plans have already been completed for the erection of the first permanent building on Yih Yuen, and this building will be used exclusively for the care of tubercular children, with an accommodation for 50 children.

A half dozen modern villages are under construction by local Chinese bankers, both in the New Civic Center and in the Kiangwan area. The largest and the most up-to-date among them is the Hsin Hua Village, planned by Hsin Hua Trust Company. The village consists of 50 mow of land at present, and 58 modern houses will be built within one year's time. The area for each house is from 4 to 9 fen, and the cost is from $11,000 to $17,000 for both the lot and the house. Only 30% of the total cost is required to be paid at first and the balance is to be paid by installment payments, which are extended over a perid of ten years. The Hsin Hua Trust Company has made a special study of housing problems in Shanghai and has established the "Hsin Hua" Village, which combines all the features of economy, convenient location and communications, modern facilities and splendid surroundings. When these houses are completed, the Hsin Hua Village will be one of the best and most up-to-date residential districts in the suburbs of Shanghai. The situation of the village is on the New Kiangwan Road, which enables quick transportation, and it requires less than ten minutes ride by private car to reach the heart of Shanghai.

Strictly speaking, Kiangwan is an educational center, and schools, from kindergardens to colleges, are located there. At present there are four colleges and universities including Fuh Tan University, and a dozen middle schools, with a total enrollment of students of more than 6,000. The Kwangtung Middle School, whose present site is on North Szechuen Road, will shortly remove to its new premises on Stein Road, a parallel road to Kiangwan Road. The area of the new school consists of 200 mow of land, and the total cost is estimated at a half million dollars, the funds of which are contributed by prominent Cantonese in Shanghai, with Mayor Wu as the chairman of the board of directors. The branch school of the Canton Christian College has purchased a site of 40 mow near the Kiangwan Race Course, and the construction of the new premises will be shortly started. Sung Teh Girls' School, which affiliates with the Cantonese Baptist Church, has planned to build a new premises including a modern village, behind the Hongkew Park.

Why Shanghai Grows Northwards

The reasons why the population of Shanghai is tending northwards especially toward the Kiangwan district are natural ones. As Shanghai continues to grow the construction of large buildings and modern apartments becomes a great problem. Many wealthy persons can afford to live in foreign settlements, where rentals are high. The problem of finding a good quiet home with a convenient location, such as those in Kiangwan, is becoming a serious consideration for every resident in this community. The water, light and telephone are available, the same as in the Settlements. The rates for water and light and the land tax are comparatively lower than in the Settlements. Having numerous advantages and a clean and quiet country-side, away from the bustle of the city life, the residents of these newly-established villages in Kiangwan will have nothing to regret, and it is a problem for those who are contemplating to erect a new home in the urban Shanghai. The question arises: Why do the people still hesitate to invest heavily in this new district where future prospects are bright?

Many timid and conservative people are afraid of the Japanese, who practically control the Hongkew district, the gateway of Kiangwan. The Japanese new barracks located on North Szechuen Road-commanding the gate from Chapei to Kiangwan hinders a rapid development of Kiangwan as a great city. The huge structure occupies an area of about 20 mow of land. It is 525 feet by 255 feet, costing more than Y.1,500,000. It is about a couple hundred yards from the Tien-Tung-An station of the Shanghai-Woosung Railway. Immediately after the Sino-Japanese hostilities in Shanghai, the Japanese and certain foreigners closely associated with them started an agitation for the creation of an independent "city state" embracing the Hongkew district and the whole district of Kiangwan. The Japanese action in constructing a permanent military establishment here has imbued many conservative people with some apprenhensions as to the real Japanese objective.

As soon as the general economic depression is over and trade revives, and the fear of the Japanese military action is removed or forgotten, the future prosperity of Kiangwan, is assured. So long as Shanghai as a whole grows, Kiangwan being a part of Shanghai, must grow with it, despite any untoward factors. The Chinese bankers have the foresight and they can see the perspective view of the future. It is a problem for a small investor, or home-seeker to consider as to what becomes of Kiangwan within the next decade. The investment problem requires foresight, prudence, and wisdom, and only those who have them will reap their harvest. Perhaps in a short time the a land speculative fever will sprung up like mushrooms in Kiangwan, and those who are hesitating to take action now may regret it afterward.

Shanghai, June 11, 1934.

Anti-Opium Association Suggests that Foreign Experts Be Engaged

The National Anti-Opium Association has recommended to the Nanking authorities the organization of an opium suppression planning committee with Chinese and foreign experts as members. The Associatiou asks that a thorough investigation of opium production in the country be made, that statistics of revenue derived from drugs be compiled, and that model villages in certain districts and provinces for the rigid suppression of opium be established. The measures were devised at a recent meeting of the Association, which was presided over by Wong King-ky, former Minister to Belgium. The Association recommends that the Provincial Governments should be instructed to extend every facility to members of this Planning Committee in their work of investigation. Adequate expenses should also be remitted to the Committee by the Government authorities. On the basis of the Committee's findings measures should then be devised to make up the losses that will be involved after the complete suppression of opium cultivation, inasmuch as certain Provincial Governments are now depending on the opium revenues for part of their regular income. The Association says that while the Government is strongly determined to stamp out the opium evil in the country, the militarists in the various provinces are taking advantage of present conditions to line their purses. Opium monopolies are being advocated ostensibly for the purpose of suppressing the evil. It is to be feared that if these were permitted, the income accruing from this source would be limited while the harm to the country would be in-estimable. The petition expresses gratification with the recent order of General Chiang Kai-shek, prohibiting the existence of opium dens in Wuchang and Hankow, and the subsequent order for the suppression of the sale of narcotics. With regard to the order for enforcement of opium-suppression, the petition recommends that, to be successful, it should first be strictly observed by Government officials and public functionaries, Only thus can the people repose confidence in the sincerity of the Government's intentions. Fines for opium-smoking should not be employed to meet military expenses, but for purposes of educating the people against the opium evil or for the curing of opium addicts, the Association urges.

A smuggler found secretly transporting over 200 ounces of opium was arrested by gendarmes at the Tatung railway station, in Shansi June 5. The man confessed that the consignment belonged to Wang Li-ching, former brigadier commander attached to the 41st Army (under General Sun Tien-ying) and Tuan Yun-ko, Manager of the Paotow Flour Company.

Kiangsu Government Prohibits Opium Smoking

The Kiangsu Provincial Government has issued a strict order decla·ing that all opium smokers must report themselves to the proper authorities on and from June 15 and the smokers must refrain from smoking within two weeks of the date of their registration. Those who do not report and those who are found to be still smoking opium at the expiration of the time limit are liable to be punished according to military law.

Viscountess Astor made a reference in the House of Commons June 7 to a supposed increase in imports of opium by Manchukuo. The Foreign Secretary, Sir John Simon, however, said in reply that he did not think opium was being imported.

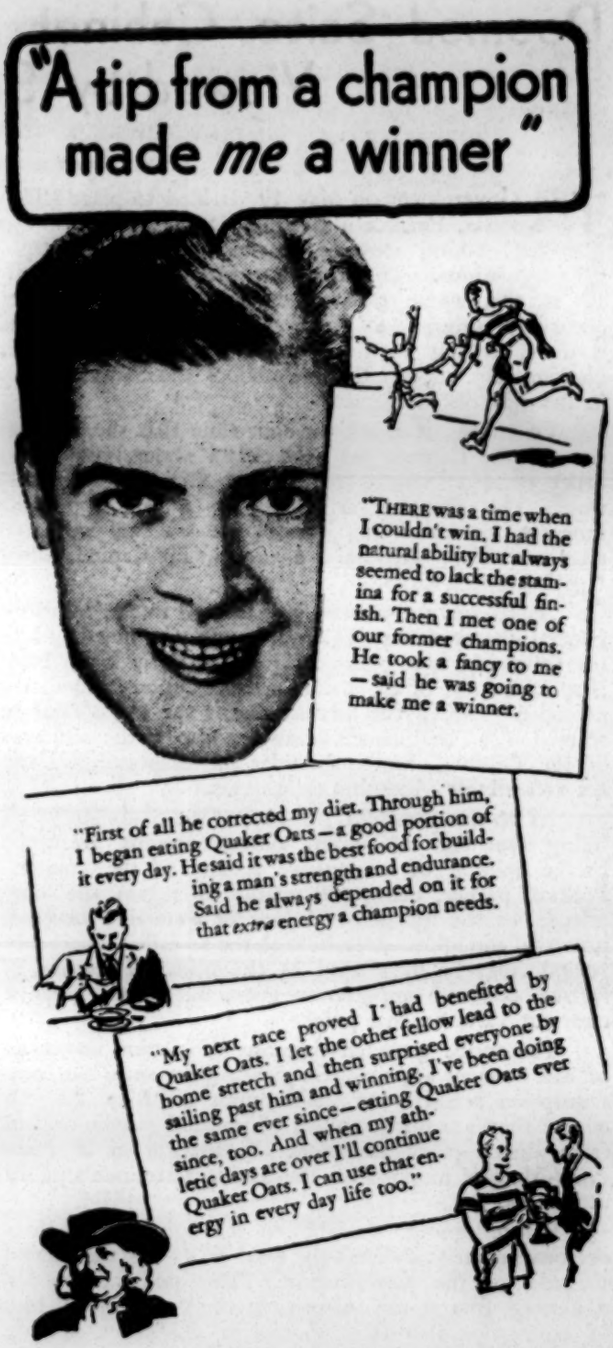
The accusation of illegally manufacturing large quantities o narcotic drugs launched against Bulgaria by the League of Nations was energetically denied in Sofia by the Public Hygiene Department

Japanese Christians to Attend Kuling Conference

Miss Yoshiko Yamamuro, daughter of General Yamamuro, head of the Japanese Salvation Army, and her brother Shuji were due to leave Japan this week enroute to Tsauyang in Hupeh province, China. Miss Yamamuro and her brother will be the guests of Ma Pai-yeh, former advisor to the "Christian" General Feng Yu-hsiang, and his daughter, Miss Ma Pi-ning. Both Mr. Ma and his daughter are stated to be devout Christians. Miss Yamamuro and her brother are scheduled to attend the meeting of Chinese Christian students which will be held at Kuling beginning July 10, and later, a joint Sino-Japanese Y.M.C.A. gathering in August.

British Court Orders Sassoons to Demolish Dilapidated Premises

C. Harpur, Commissioner of Public Works of the Shanghai Foreign Municipality, has commenced a crusade against the many old buildings in Shanghai which are a danger to the public. This was made evident several months ago when the front of a building belonging to the Hardoon estate in Nanking road collapsed. In the British Police Court, June 11, on application of Mr. Harpur, the Court ordered a building belonging to E. D. Sassoon & Co. Ltd. at 24 Ningpo Road to be demolished within 28 days.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Quaker Oats

Doomed Saito Cabinet and What May Follow, as Viewed by Senior Statesmen

BY THE REVIEW'S TOKYO CORRESPONDENT

(Translations from various Japanese publications)

THE Government on May 19 decided to place Hideo Kuroda, Finance Vice-Minister, on the suspended list, taking recourse to the civil official disciplinary regulations. The Kuroda incident, which is regarded as the worst case of corruption that has ever occurred, created a great sensation throughout the country, calling forth severe criticisms—all of which unanimously forecast the downfall of the Saito Ministry in the not distant future.

Of course, it is not the first time that the resignation of the Cabinet has been talked about, yet on no other occasion was it so seriously discussed as at this time. The situation is developing at an opportune moment for wondering stars of the political world to start activities; Kiyoura is already in the Capital, while Ugaki has left Keijo.

As to why the present case is vital to the Ministry, general observation in Tokyo is roughly summed up into the following two points: (1) Whereas the Saito Ministry bases one of its main policies upon promoting official discipline, the present case is the worst kind of scandal; (2) The Finance Minister, who is the mainstay of the Cabinet, has to shoulder the responsibility and act accordingly—meaning resignation.

As to the possibility, if any, of the Saito Ministry's tiding over the difficulties, diverse reasons are noted in the opinion of responsible leaders of the country. Political parties, being still unable to regain the confidence of the people, and lack of a suitable successor powerful enough to steer through the so-called emergency period, may be mentioned as the principal reasons, as far as outward appearance goes, but none gives a clear-cut view on this point.

The scribe gathered opinions of senior statesmen of the country appearing in newspapers since the new corruption scandal was made public on May 20. Of course they are not members of political parties or free from direct party affiliation. It appears as if *Nichi Nichi-Mainichi* monopolize the senior statesmen's public utterances.

Before going straight to the opinions of these personages the scribe sees the need of giving the general attitude of the Government. The political parties' deafening fuss at the disclosure of the serious case of corruption also daily appears in the press, waging united attack against the Saito Cabinet, but the scribe regards it as powerless, as is generally observed here; hence no need of introducing here the party leaders' brags. Remarks on the corruption case by the Premier, Home, and Finance Ministers, who are the backbone of the Saito Cabinet, are as follows (from Tokyo papers, May 20 to May 22):

The Premier—"The question is a very embarrassing one. The party involved declares that he has done nothing to feel guilty of. Even if it so happens that the question spreads to Cabinet members and former Ministers, the initial probe's completion must be awaited before I can say anything about it. The Government's answers in the 65th session of the Diet may be overturned when the preliminary inquiry ends. On that occasion the Government will study the errors and make proper disposition."

Home Minister—"The Finance Minister cannot handle the matter lightly, because his position is very important. After things have become entirely clear, the Finance Minister will decide what action to take. Until that time the Government will do well to keep silence and watch developments. Frankly, I am surprised by the news. I have been repeatedly assured by the Premier and the Justice Minister that nothing is wrong in regard to Mr. Kuroda. I hear that there is talk about the possibility of the Finance Minister resigning, due to lack of discipline in the Finance Office. In my opinion, he should act very carefully in this matter, because he is an important man in the Government."

Finance Minister—"Just because some of my subordinates have been summoned to the court, I cannot hastily decide what I shall do with my own position and responsibility. It would be easiest to quit my post, but I must also think of the national welfare. I do not know whether the matter will undergo further aggravation or will stop at its present magnitude. I will meet my colleagues at the Cabinet meeting tomorrow, but I have nothing to say to them. I am rather annoyed by the excessive concern the public shows toward my affairs. There can be no doubt in the principle guiding the conduct of a public man like myself. I must act as my conscience dictates under all circumstances. The matter is still in an uncertain stage; there are cases in which we should wait until the results become clear; there are others in which prompt action is necessary. I am sorry I cannot act on my own personal preference; I must think of national interests and welfare."

At the Cabinet meeting referred to in the remarks of the Finance Minister, which was held on May 22, the Premier declared (*Yomiuri*, May 23) that the Government would wait and watch the development of the affair and would not take any hasty action at this time. This statement by the Premier, however, is construed in many ways, some papers even taking it as meaning his resignation before the result of the preliminary trial is over. At the end of the meeting Finance Minister Takahashi said (Tokyo *Nichi Nichi*), "We can never tell whether the men arrested are guilty or not. If they are innocent we shall be sorry to have caused them such terrible annoyance. Why should the Government resign when there is still great probability of the men being found innocent?" By way of a significant reference Parliamentary Vice-Finance Minister Horikiri's (Seiyukai) remarks appearing in leading Tokyo papers on May 28 are as follows: "Taking responsibility upon his shoulders the Finance Minister should tender his resignation. Among the Government officials there are some who maintain that the final step should not be taken lightly but wait until the truth of the affair is disclosed, but this patient watch will only serve to accumulate dishonor upon the brilliant career of the Finance Minister. The difficulty regarded as accompanying the task of finding a suitable successor to Saito is a negative reason for the Saito Cabinet to hold its position. This is not so serious a question as is generally believed."

Party Politics Will Never Be Restored

(By Count Keigo Kiyoura (清浦圭吾), *Asahi, April 27)*

In consequence of the "Finance Office Scandal" the attitude of the Cabinet has turned from normal watchful waiting toward wait and watch for smooth settling up of the aftermath of the political change, it is observed. Such being the attitude shown by the Government, the arrival of a political change in the near future is considered as inevitable. With the return to Tokyo of Count Keigo Kiyoura on May 26 and the departure from Keijo of Governor-General Ugaki, both of whom loom biggest as successor to Viscount Saito, the political world has become greatly animated. Count Keigo Kiyoura stated as follows in the *Tokyo Asahi* April 26:

"In certain quarters they insist that the Government immediately shoulder responsibility for the Kuroda scandal and act accordingly, but I do not sympathize with such a view. The Government should be more prudent and make a thorough inquiry into the affair before it takes any decisive step.

"In view of the difficult circumstances that exist, I am inclined to think the political change may not be effected so simply as the people are said to expect. If a change comes Prince Saionji will take great trouble. It may not be unnatural that both Gen. Ugaki and Count Hiranuma have strong opponents on one hand while enjoying enthusiastic supporters on the other. The rumor that in case one whom a part of the military circle does not trust is appointed Premier the military will refuse sending a war minister from among its domain is a practice now too old fashioned. Surely, such will not happen.

"The idea that Dr. Kisaburo Suzuki, President of the Seiyukai, should sit at the head of a coalition cabinet of Seiyukai and Minseito is commendable only as an ideal. Dr. Kitokuro Ikki is talked about, but his chances may be small because of his having just taken up his new postion as the Chairman of the Privy Council. Now, as to myself, I am connected with 17 social enterprises so that I may crown glory upon my past long service to the state. Moreover, I am 85 years old. The report that a 85-year-old man will have to stand at the helm of the state disappoints me.

"Whether Saito's receiving again the Imperial mandate would favorably influence the people is a question requiring a serious consideration. Another rumor that Takejiro Tokonami (senior member of the Seiyukai) may sit at the head of the coalition cabinet lacks practicability. He is not a good hand at political measures but

as a man of good character it is no wonder that he has supporters in various quarters. Thus the country does not lack candidates for a premier."

"I Stick To Supporting a Party Cabinet"

(By Torataro Ushizuka, Mayor of Tokyo—Tokyo Nichi Nichi, May 27)

It may sound cynical to say that the Saito Ministry has to resign in consequence of corrupt official discipline, because the official discipline is the fundamental principle upon which the Saito Cabinet stands.

The time has at last come for the slow-motioned Saito to reisgn. He should vacate his position also from the viewpoint of the maintenance of public morals.

As regards who will succeed Saito, I may say that Gen. Ugaki would rank first in possibility if the military circle were not in the condition it is at present. That such an old statesman as Count Keigo Kiyoura is talked about as a possible successor is lamentable for the country, which is trying to bravely tide over the so-called emergency period.

In the present day Japan none would support fascism. I strongly support constitutional politics, based on political parties. For that object I suggest a general election be enforced under the Saito Cabinet and the political right be placed in the hands of the victorious political party.

While voices are raised in favor of Ugaki and Kiyoura, no talk is heard on the possible rise in power of the heads of political parties. This shows the need of the parties' reflecting seriously.

I do not think a pure party cabinet will put up its head. I only hope that the parties endeavor to restore the lost confidence by quitting seeking for petty self-interest for the sake of the country.

How Long Will the Cabinet Keep Up Watchful Waiting?

(By Soho Tokutomi (徳富蘇峯), Tokyo Nichi Nichi, May 26)

How long does the Saito Ministry intend to keep silent, watching the situation? Saito could have retired with great honor if he had done so following the closure of the last session of the Diet. This, however, would not be the case at present.

Procecutors would never indict such senior officials as the Vice-Finance Minister or the chief of the Bureau of Banking Affairs, before having ascertained some truth of the affair. This is because these two officials quit their posts upon being prosecuted and the vacancy has already been filled. Under such circumstances we are unable to see why the Cabinet members have to remain in their posts until the preliminary trial is over.

We have no old grudge against the present Cabinet. But, being impatient at the inability of the Cabinet to grasp the political chance we again declare our straightforward view of the situation. Watchful waiting is a thing of the past; it is now time for the Cabinet to take a decisive step.

Another Non-Party Ministry Is the Safest

(By Yukio Ozaki (尾崎行雄), Osaka Mainichi, 25)

Even if the political parties assume the reins of the government they would find it difficult to find the premier. A still more difficult affair for the new party cabinet is the choice of the War and the Navy Ministers. The military, having an aversion to party government, and having no confidence in political parties at present, may decline to participate in a party ministry, refusing to send the War and the Navy Ministers.

There is fear that a ministry formed by force may also be wrecked by force. The May 1 case is a proof of it. I fear very much that if the Seiyukai and the Minseito come into power by allied force in the present situation, the social unrest will further grow and may lead to very serious consequences.

The fate of party government in this country, however, is not sealed. In order to regain the confidence of the people and revive, political parties must be reborn, leaving behind their evils. Being an advocate of party government, I desire a return of party politics, but so long as the political parties do not eradicate party evils, I would oppose the formation of a party ministry. I hope that the present ministry will stay a few more years and carry out the next general election in a fair way.

In the event that a political change is inevitable before long, I hope another non-party ministry will be formed, and in the present circumstances, it will be good for the country and the political parties as well. Parties must not be allowed to come into power before they repent and show their sincerity to the people.

Another Transitory Ministry Will Make Its Appearance

(By Viscount Shinko Aoki (青木信光), Tokyo Nichi Nichi, May 24)

I feared that the Kuroda affair might prove a stumbling block to the Ministry but I had no small doubt about the truth of the report. It is but natural the people are surprised at the outbreak of such an incident within the Finance Office, which is in charge of the national treasury.

Common sense indicates that in view of the Finance Minister's personality it is expected that he will take proper steps in due course, and in this case the fate of the present Ministry will be sealed.

If it were not for this mishap the Saito Ministry might be able to prolong its life until next session of the Diet. This time the Cabinet received a veritable death blow, and there is no need of its waiting for the conclusion of the preliminary trial: Saito will quit when the outline of the case is disclosed.

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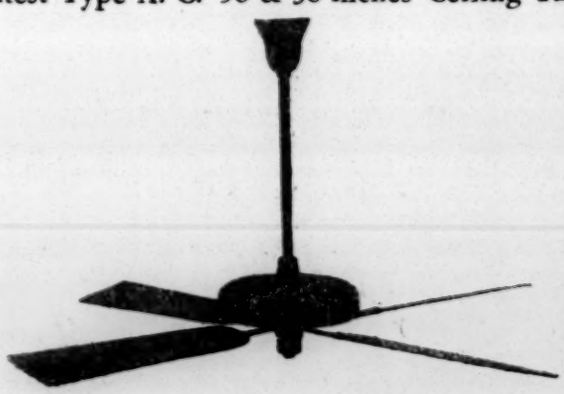

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Shanghai-Nanking Railway and Its Services

BY PAUL K. WHANG (汪 仲 芳)

TRAVELLING in China is far from being a pleasure. By this, I do not mean the travelling in the inland provinces, where modern transportation facilities are lacking and where one has to travel on the beasts of burden and undergo all sorts of inconveniences and uncertainties. But what I have in mind is the travelling in those regions where railway services are maintained and one can travel back and forth on the trains. Any one who travels much on the trains will agree with me that the services offered by Chinese railways fall short of our reasonable expectations. The over-crowded situation of the trains, coupled with their not being run according to the schedule time, has made the travelling even of a short distance a very severe ordeal. This state of affairs must be held as the chief drawback in cultivating travel-consciousness among the populace.

Take the Shanghai-Nanking Railway, the best one of its kind in China, for instance. It connects Shanghai, the premier port of China, and Nanking, the Capital of the present Chinese Government; and traverses a very densely-populated region dotted with such cities as Soochow, Wusih, Changchow and Chinkiang. Its total distance is only 320 kilometers. In normal times, it has earned a handsome profit every year because of its heavy passenger traffic. In view of the importance of this Railway and its earning capacity, we have reasons to expect that it should be operated as efficiently as the average railways in other countries. But to our great disappointment, its services so far have been far from satisfactory to the general travelling public.

Being a frequent traveller from Shanghai to Soochow and back at weekends for the past many years, I am in a position to speak of my own experiences and impressions about this Railway. At the outset, I must make it clear that I am in a reasonable frame of mind, and do not expect anything unreasonable from the Railway Administration. Therefore I have no mind to compare its services with those of the best railways in the United States and European countries. Nor do I expect that the trains on this Line can boast of a speed of 125 m.p.h. More over, I am fully aware of the huge losses it sustained during the Shanghai "war" at the beginning of 1932, and that it has to take time to recover itself to the old position.

Improvements During the Past Year

It must be acknowledged that during the past year the Administration has done many good things to its credit. Overdue foreign amortization payments have been met. Some of the depots along the Railway have been renovated. Waste land around a few of the big depots has been turned into attractive lawns. And recently a new Railway Hotel has been opened up at Tsinyangkiang to attract the tourist trade. Aside from meeting foreign commitments, all the other ameliorations, it must be said, are confined to things superficial, and give little benefit to the travelling public.

An average traveller can hardly appreciate the pleasing atmosphere of a renovated depot surrounded by a beautiful lawn, because he lacks an esthetic taste. Likewise, he can not rejoice at the opening of a new hotel, because he has not the means to partake of its many amenities. What he is chiefly concerned about is that he may be able to travel comfortably and that the trains arrive and depart punctually. His expectation is very modest, and can be easily fulfilled if the railways are operated as they should be.

I discussed these two points at great length in my previous article on this subject, which appeared in the *Review* in its issue of Feb. 25, 1933. In that article, I spoke quite frankly of the over-crowded situation of the trains at week-ends and also of their not being run according to schedule. As a means of relieving this overcrowded situation, I suggested that in order to enable each ticketholder to have a seat, each ticket should bear a number corresponding to that assigned to the seat on the train, and that the total number of tickets sold for each class should not exceed its seating accommodations. I also pointed out that the tea-boys, food-peddlers, and hawkers of toys, medicines, toilet articles and household utensils must be prohibited from plying their trade on the trains.

Since the writing of that article, more than one year has elapsed. It is regrettable indeed to note that no measures have been taken to make improvements along these two lines. The trains at week-ends and on holidays are as over-crowded as ever. In taking the up-trains from Shanghai, the passenger, in order to assure himself to get a seat, has to board the train one hour ahead of the time of its departure. The late-comers have to stand on the platforms and even in the lavatories all the way throughout their journey. In taking down-trains from Soochow, one will likely find that all the accommodations have been long taken up, and that it is even difficult to find standing space room.

The third class passengers are still molested by the presence of tea-boys and food-peddlers. In order to ply their trade, they have to frequently seek passages through the sardine-packed cars To the standing passengers, who have great difficulty in balancing themselves on the moving trains, their presence is a great nuisance. A few weeks ago, I had a very unpleasant experience, when a tea-boy, in trying to sell a glass of hot tea to a passenger sitting next to me, spilled half a glassful over my clothes. Fortunately my heavy clothes proved thick enough to protect my skin from getting scalded. If it happened on a hot Summer day, its consequences can be easily imagined. But accidents of such a nature are too common to be particularized.

Tea-Boys Not to Be Blamed

We, of course, can not blame the tea-boys and food-peddlers for their molestation, because they have paid for the privilege of plying their trade on the trains. What is most incomprehensible is the fact that the Administration should forget the comfort and convenience of the travelling public because of this little monetary consideration. There is another strong reason to be raised against them, namely that the drink and food offered by them are of questionable quality. I have been told that the Administration is now contemplating to open up food-stands at the big depots along the Railway. Therefore the time is ripe for their wholesale exclusion. I assure the Administration that their exclusion, instead of being lamented, will be celebrated by the travelling public.

This over-crowded situation would not become thus intolerable, if the trains could be run according to schedule. The heaviest passenger traffic along the Line is between the section of Shanghai and Soochow, and this short distance of about 53 miles can be covered by the Expresses in two hours and by the Locals in three and-a-half-hours. Therefore if the trains could be run according to schedule, a sad experience of two of three hours would not become a subject of general complaints. But at present, even the Expresses, in many cases, can not live up to the schedule. This uncertainty of arrival at destination has especially worked hardship upon those who have important business engagements to keep. It must be noted that ten years ago, the trains on this Railway were much faster in speed and the distance between Shanghai and Soochow was covered by the Expresses in one and a-half-hour. Now the time has been extended, but the trains still can not be run on schedule.

The Administration, instead of paying attention to the things superficial, should devote its efforts to the betterment of these two evil conditions. In view of the short distance between Shanghai and Nanking, we do not think that there is any difficulty in keeping the trains running on schedule time. Granting that many of the locomotives of this Line are old and obsolete, yet in consideration of the present extension of the time required to cover the distance, we still believe that if conscientious efforts are applied trains can be run punctually.

In regard to the over-crowded situation at week-ends, the best relief measure is, of course, to have the number of every seat printed on the ticket, so that each ticket holder can have a seat. If the Administration does not consider this a feasible measure, then it has no alternative but to add more passenger cars to the trains or to run a special train at week-ends. The Administration is now running a Sunday Special from Shanghai to Wusih and back for boosting up the tourist trade. One wonders why it does not make such an arrangement as to have this Special leaving Shanghai on Saturday afternoons and coming back on Sunday nights. The running of this Special will naturally relieve the present over-crowded situation of the trains at week-ends.

Because of the high cost of living in Shanghai, many Shanghai business men have now preferred to have their families stay in Soochow. Therefore the passenger traffic between the section of Shanghai and Soochow will be constantly on the increase. For the benefit of the travelling public, the Administration should find all the available means to improve the services along this Line. Its good services will not only induce more people to live away from Shanghai, thus increasing its passenger traffic, but will bring prosperity to many cities along the Railway.

Shanghai, June 11, 1934.

Sudden Rise of Yellow River Causes Anxiety

The sudden rise of the Yellow River at Heikangkow and Liuyuankow, northern Honan, is causing alarm among the inhabitants. As a result of the incessant rainfall, the Lo Ho, Chin Ho and the Tan Ho (Rivers) in the province are also steadily rising.

The dykes of the Yellow River at Tungwahsiang, a point on the Honan-Anhui border not far from Kaifeng, collapsed last week, and as a result part of the country in that vicinity was flooded. The Honan authorities sent a special mission to Tungwahsiang to supervise the repair work.

As a result of incessant rainfall all Hopei rivers are rising to very high levels.

The Kan River has overflowed its banks and many villages have been inundated. So far the water has risen fighteen feet about its normal level and there are indications that the rise will continue.

The Yangtsze River Conservancy Commission convened a conference in Nanking June 12 to consider plans for the control of the river. The Kiangsu Provincial authorities have presented a memorandum to the Commission on regulating the flow of the river, which includes the construction of water sluices and the dredging of the Tungting Hu and Poyang Hu, two lakes along the Hupeh-Hunan border and in Kiangsi respectively.

Water in the Grand Canal has been constantly on the rise since June 4 and is now four feet about its normal level.

Plans for unifying the organization of river conservancy organs throughout the country have been mapped out by a Committee of nine, including Dr. H. H. Kung, Minister of Finance and concurrently Chairman of the Yellow River Flood Relief Commission.

Several Chinese banks in Shanghai have decided to lend $2,000,000 to the Honan Provincial Government for conservancy work on the Yellow River.

Woosung Dykes in Dilapidated Condition

The dykes along the sea coast at Woosung are in a precarious condition as a result of the lack of necessary repiairs during the past few years, according to information from the Shanghai Chinese Chamber of Commerce. A part of the dykes has already collapsed. It is feared that unless repair works are effected immediately the villages along the coast will be flooded in case the water rises during the coming summer season.

Mrs. Jack Young Takes Respite from Hunting ---Helps New Life Movement

Mrs. Jack Young, the Chinese-American woman with the Gong Ga Expedition, has temporarily left the expedition's base camp at Yulongshi. She arrived back in Tachienlu several weeks ago. She reported that the expedition is having very hard times trapping wild birds and wild game alive. Since her return to Tachienlu, Mrs. Young has turned her efforts to the New Life Movement which is now being inaugurated in different parts of the province. Mrs. Young made a short speech at a recent New Life meeting in which she showed her appreciation of the neatness and trimness of the pupils who had assembled and encouraged them to go in more for out-door exercise, as thereby they would be able to keep their bodies well and strong. In America, she said, great importance was paid to physical culture and she wanted to see the same here in China.

Chinese Bank Ordered to Fulfill Guarantee Given for Compradore

A judgment givent by the First Special District Court recently ordered the Shanghai Commercial and Savings Bank to fulfill the guarantee given by it on behalf of Carson Lee, former Compradore, to the Pathe Orient, Ltd., the sum involved being $10,186.71. The Court in its judgment said the compradore agreement provided that Lee undertook to be responsible for the due performance by each Chinese customer of every contract, transation, or business entered into between the plaintiff and such customer for the purchase or sale of goods on commission or otherwise. The Bank, the Court held, by its guarautee was responsible, and found that the bank had waived its right to require the Pathe Co. to first take proceedings against the principal debtor. The Bank has filed an appeal.

Sixth National Buddhist Conference Assembles in Shanghai

The Sixth National Buddhist Conference was opened in Shanghai June 10 and was attended by representatives from nine provinces and three special municipalities. The Panchen Lama was represented by Liu Chia-chu, his secretary. The conference received a total of 360 proposals for discussion. The meeting remained in session for several days.

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My Experience in Teaching English

BY T. Y. JEN (任鼎遠)

IT has been less than fifty years since the English language became popular in the educational field of our land. We Chinese, who are much interested in the scientific studies of the West and who hope to see our country benefited by the marvelous achievements of the western countries, have been and are obliged to take up the study of a popular language which many Western countries have in common. The English language is a language of Great Britain, the United States, and most of the British colonies; it is widely and universally spoken and used throught the world. Therefore it certainly can also meet the demands of our people.

"Language," to quote Alexander Inglis, professor of education at Harvard, "is an instrument even more important for the individual's thinking than for the expression of his thought or his understanding of the thoughts of others expressed through language." It is, therefore, necessarily to be here admitted that the study of English or any other language should be a means rather than an end. For this end it it hoped that our people may have a good command of English. To a Chinese student learning English, the method he may follow should be given wide discussion and careful consideration.

No English course has been allowed to open in Chinese primary schools, according to the regulations of the Ministry of Education; while primary schools in city or town districts open thier courses as usual. As we know, college offers a liberal or technical training while high school serves a compulsory or fundamental education; it is therefore, necessary that during the long period of six years of training in the high school, a good foundation of the English language for every Chinese student should be laid.

English as a foreign language has often given Chinese students a great deal of trouble. A Chinese student who engages himself in studying English for many a year in a high school sometimes can hardly write a short paragraph without grammatical mistakes. It may be due to the following reasons:

1. Books used in Chinese schools are in many respects unsuitable to Chinese students.
2. Teachers have often failed to use an effective teaching method.
3. Students have not grasped the right way of learning.

Considering the first question we have to fully believe that books of the kind published in America and England are by no means fit for the use of Chinese students. Our Chinese teachers of a high order are of course under the obligation to work out a series of textbooks and books of reference which are best suited to Chinese students and which will enable us to have educational efficiency. It should be added that our indebtedness is due to those experienced foreign teachers of English in China such as M. A. Couling, professor David Lattimore and many others who have offered their contributions with a view to the special adaptability of their book for use in Chinese schools.

An English grammar that is said to be specially prepared for Chinese students and to serve the best facility of learning should possess the following qualitie:

A. Explanations should be simple and clear.
B. Peculiar difficulties of Chinese students should be carefully noted.
C. Exercises or drills should offer no difficulties.
D. Illustrative sentences should have an up-to-date value.

Our ideal English readings for Chinses students in high schools must have the noble quality of current literature. Classic studies have proved to be of little help to the beginners in composition writing. Helpful Chinese notes should he given at the end of each lesson and questions must he supplied in order to make the reader catch the essential points a lesson.

Concerning the problem of teaching, one would readily say that the method of teaching is rather a matter of experience than a study of theories and principles. It is true in a general sense, but going to a minute discussion we should keep some guiding principles in our mind. Pronunciatıcn, spelling, and diction must be particularly emphasized in junior middle schools while in senior middle schools special attention must he paid to the sentence study, paragraph study and synonym study. For senior students the spirit of self-teaching in English should he highly fostered, as the new tendency of improving educational method is to shirk the responsibility for results from teacher to the pupil. According to Hopkins, the teacher is no longer a slave to theme reading and will some day became an adviser, guide, and coworker for those who voluntarily seek his aid. Senior students are required to prepare their assignment before entering the classroom. In both junior and senior classes of a high school oral quiz muist be daily performed; recitation or dictation must be weekly conducted, written tests must be regularly given.

Lastly, referring to the effective way of learning, although it is already for the great part answered in the last paregraph, yet I may here offer you a practical way of learning English, that is the study of translation. It is probably the chief motive or the final aim of learning English, It is hoped that our students can take up this task to reach their goal in due course.

Shanghai High School, Kiaochow Road, May 30, 1934.

Polish Rabbis Are Told by Catholic Archbishop that Jews Are Provocative

When a delegation of Polish Rabbis protested at the increased anti-Jewish agitation in Warsaw to Archbiahop Cardinal Kakovsky June 9, the Archbishop replied that while he condemned violence no matter from what side it was applied he wished to point out that the religious feelings of the Christian population had been hurt and provoked by Jewish elements. In support of this argument the Cardinal instanced the godless campaign in Poland which is directed by a Jew named Jablonsky. The spread of pornographic and other seditious literature could also be traced to Jewish activities and all these things naturally increase anti-Jewish agitation and might lead to regrettable excesses, the Archbishop said.

Szechuan Ordered to Stop Minting Depreciated Silver Coins

The minting of debased subsidiary silver coins by the Chungking Copper Bureau must be stopped immediately, Dr. H. H. Kung, Minister of Finance, stated in a telegram to General Liu Hsiang, Commander of the Szechuan Bandit-Suppression Forces, June 6. The message stated that according to secret information, a quantity of silver sycee was smuggled to Chungking on May 20, and is being coined into depreciated subsidiary silver coins by the Chungking Copper Bureau. This is not only in violation of the national laws and ordinances but is also contrary to the various resolutions adopted by the recent 2nd National Finance Conference regarding the readjustment of the national currency.

Flooding of a Mine at Tongshan Drowns Sixty

More than 60 miners are reported to have been drowned as a result of the flooding of a shaft of a mine at Tangchiachuang, Tongshan June 9. The flood occurred as the result of the breakdown of the pumping system.

More than 1,000 workmen of a mine at Machiakow, near Tangshan, belonging to the Kailan Mining Administration, walked out June 9 in protest against the reduction of working hours. The strike was of short duration. Through the mediation of Li Yin-chun, resident supervisor of the Hopei Provincial Department of Industry at the Kailan Mining Administration, and Chang Kuan-yu, Secretary of the Kailan Administration, the majority of strikers have returned to work.

According to Chinese newspapers in Peiping the K.M.A. has decided to pay $350 each to the families of those killed in the recent fire at one of its mines at Tangchiachwang on the Peking-Mukden Railway. It is estimated that more than 30 miners were killed in the fire.

Armed Robbers Get Away with $12,000 Intended for Canidrome

Four armed Chinese calmly walked into the offices of Seth, Mancell and McLure, chartered accountants on the ground floor at 9 Avenue Edward VII, Shanghai, on the afternoon of June 9, and at the point of pistols took $12,000 in cash from two messenger coolies who had just previously returned from the National Industrial Bank. The money was to have been delivered to the Canidrome dog-racing track to be used in the pari-mutual stalls that night—a fact carefully suppressed by all the Shanghai daily newspapers except the *China Press*. A third coolie who had $7,000 in his possession was overlooked by the marauders. The loss will fall on C. K. Chow, the firm's compradore, who, it may be mentioned, was also held up in the street near the Canidrome last year, when $6,000 was taken from him. No trace of the robbers was ever found. The incident, it is to be noted, comes just after agitation from Chinese groups in the French Concession demanding the suppression of the Canidrome and Hai Alai—both of which institutions depend on betting for their profits.

Canton Orders Savings Societies to Suspend Business

The Finance Department of the Canton Municipal Government issued a proclamation June 5 ordering the immediate suspension of business by the International Savings Society and the Franco-Chinese Savings Society. The two societies have been given a certain time limit to liquidate their accounts. In the meantime they have been ordered to put up securities. At the same time the Finance Department also issued a proclamation calling upon the people not to put more money into these two establishments.

The Franco-Chinese Savings Society is stated to have handed the authorities $30,000 to meet the demand made for securities. The I. S. S. at last reports had not taken such action. The Government may take measures requiring all Chinese bondholders of the I. S. S. to cancel their bonds in the event of the Society ignoring the Government's order to put up security.

The offices of the I.S.S. in Shameen are not affected by the order, which is applicable only to the branch office in Canton, a relatively unimportant establishment.

The Peiping *World Daily News* comments: "We have repeatedly urged the Government to stop the further issue of State Lottery tickets. There may be some difference in form and method between the tickets issued by the National State and foreign Lottery Administration and the prize-bonds of various Chinese savings societies, but they have one object in common, namely to encourage the gambling instinct of the public. The moral degeneracy of the people is a contributing factor in the popularity of these bonds. So many people are anxious to get rich quick that they are ready to invest their money in anything which offers a chance of realizing this ambition, however remote that chance may be. This speculative and gambling propensity is not confined to merchants and bankers alone, but is general among all walks of life in China. If there is any doubt on this score, it should be dispelled by a visit to a race or greyhound meeting in Shanghai, or for that matter in any other treaty port of China. Secondly, the glaring inequality of wealth in China also has a great deal to do with the strong propensity of the Chinese for gambling. The rich in China are getting richer ever day, while the poor are becoming poorer."

British Admiral Says Naval Treaties Are Unpopular

The *Osaka Mainichi* printed a telegram from its staff correspondent in London May 30 that Admiral Sir Reginald Custance, veteran naval man of Britain, who participated in the battle of Kagoshima in 1863 and the battle of Shimonoseki in 1864, had stated in an interview that both the Washington and the London naval treaties are unpopular not only in Japan but in Britain as well, and that he sees no reason why these unpopular treaties may not be modified and naval parity granted to Japan.

The Admiral is quoted as having said: "Naval parity for Japan may endanger Britian, but there is no need for worry because Britain and Japan have always been special friends. Britain is impregnable against the American navy, and America and Britain have little chance of going to war."

British Foreign Secretary O.K.'s Right to Expel Journalists

Declining to follow a suggestion that a protest be sent to Germany on the expulsion from that country of Pembroke Stephens, correspondent of the *Daily Express*, Sir John Simon, British Foreign Secretary, in the House of Commons last week said: "It is the incontestable right of every Government to expel foreign journalists just as it is the indispurable privilege of public opinion in various foreign countries to maintain judgments and to formulate conclusions in the matter of such expulsion." Dr. Hanfstaengl, chief of the press service of the National Socialist Party, issued a statement in Berlin June 10 comparing the writing which Stephens did to a guest at a dinner in a private family who rummaged through every room, reading all private correspondence and carrying on the gossip overheard from the servants.

American Ambassador in Moscow Works for Close Relations with Soviets

Speaking in what he himself described as "faltering Russian," in an interview in Moscow May 1, William C. Bullitt, U. S. Ambassador to the Soviet Union, said that his purpose in the Soviet Union as a representative of the U.S.A. was to work toward the creation of the closest relations between the two countries. It is the hope of the President and the entire American nation that the governments of both countries will join in this work not only toward mutual welfare, but chiefly in the interests of maintaining peace, the Ambassador declared. "Long live the friendship between the United States and the USSR!" Bullitt concluded.

I.D.EMULSION
OF COD LIVER OIL
五洲乳白魚肝油

含量豐富
品質優良
味美無腥
消化易速
滋補虛虧
效力準確

五洲大藥房
上海及各埠
INTERNATIONAL DISPENSARY
SHANGHAI

FOR FRETFUL BABIES
BABY'S OWN TABLETS

Often when baby is fretful and peevish for no apparent cause, it is then most likely due to some slight disorder of the stomach which can quickly be put right by a dose of Baby's Own Tablets.

Mrs. H. A. Flewelling, Ripples, N. B., writes:—"Baby was awfully fretful, until I started giving him Baby's Own Tablets. Now he is just wonderfully well."

Baby's Own Tablets are guaranteed to be free from any injurious substances and may be given to the youngest infant with perfect safety. made from the prescription of a physician who specialised in the ailments of children, Baby's Own Tablets are an invaluable remedy for constipation, indigestion, colds and croup, feverishness, sleeplessness, diarrhoea, upset stomach, and colic, they help to expel worms and ease the pains of teething. Obtainable from chemists everywhere.

Disarmament Confence Adjourns in Mild Atmosphere

The General Disarmament Commission at Geneva June 9 decided to adjourn for several months, possibly until October. What was described in a *Reuter* telegram from London June 8 as an atmosphere of peace and amity, the General Commission of the Conference adopted the three-Power compromise resolution devised by the heads of the British, French and United States delegations, under which the imperative need for securing a general convention is reasserted, an immediate program of work to that end was outlined and the necessity of Germany's return to the Conference was recognized. Prior to the adoption of the resolution, Anthony Eden (Great Britain) stressed the importance of maintaining the traditional friendship between Great Britain and France.

The Soviet Foreign Commissar, M. Litvinoff, was unexpectedly mild, his compromising spirit causing surprise among the delegates. The Soviets, he said, had never opposed anything in the resolution and he hoped that the Russian idea for a peace conference would not be lost in the archives of ministries. The soldiers of the Red Army, he declared, were the most peaceful people in the world. Russia pledged herself to work with every people and with every government for the attainment of world peace. Meanwhile various special committees will make further studies of the matters in dispute. Herr Adolph Hitler, Chancellor of Germany, accepted the invitation of the Italian Premier, Signor Benito Mussolini, to confer with him on League and disarmament questions at a meeting in Venice. M. Louis Barthou, French Foreign Minister, accepted Premier Mussolini's invitation to a similar conference in Rome early in July, following Herr Hitler's flying visit to Venice. Maxim Litvinoff, Soviet Foreign Commissar, held a luncheon conference with Norman Davis, American Envoy at-Large June 9, concerning the Soviet's proposal for a non-aggression pact of Pacific powers.

Japanese Ready to Discuss Naval Disarmament

Tsuneo Matsudaira, Japanese Ambassador to the Court of St. James, was instructed June 7 to make arrangements with the British Government for a prompt calling of Anglo-Japanese discussions in preparation for the 1935 naval disarmament conference. This anxiousness on the part of the Japanese foreign office to begin negotiations was ascribed to the fear that an Anglo-Amercian agreement along the lines of the "Rapidan accord" of 1930 might again take place.

The Japanese Government is stated to be watching closely imports of arms into China. It is charged in Tokyo that huge amounts of munitions and war materials recently have been shipped to China from Great Britain, France, Italy, Belgium, Czechoslovakia and the United States, and Japanese official circles are reported to be concerned over this activity.

Japan Opposes German and Soviet Participation in Naval Parleys

Strong opposition to the participation of Germany and the Soviet Union in the coming naval disarmament conference in Washington was expressed in an editorial published by the Tokyo *Nichi Shimbun*, June 8. The newspaper declared that participation of non-signatories of the Washington and London Naval Treaties in the Washington conference would only cause added confusion and dispute. Germany, the journal said, if permitted to join the discussions would naturally press her demands for naval re-armament, which would almost certainly be vigorously opposed by France, while participation of the Soviet Union would be "absolutely meaningless, since Russia has no navy to be curtailed."

Italy Not Keen on Arms Embargo

Italy has made her adhesion to the proposal for an international embargo on arms and munitions to Bolivia and Paraguay conditional on Japan also adhering to the plan. Japan, however, takes the position that, as she has given notice of her withdrawal from the League of Nations, she connot co-operate with the League under Article II of the Coventant. Italy also insists that present contracts shall be fulfilled.

Italian participation in the naval armaments race has been intensified with the announcement June 10 that the keels of two 35,000 ton battleships will be laid within the current year.

Peiping Comment on the Disarmament Conference

The Peiping *Chen Pao* comments:—"The Disarmament Conference now in session at Geneva is making a heroic fight for life, but the chances of its surviving the present ordeal must be accounted very slim. For this reason Great Britain is anxious to hold a preliminary naval conference in order to prevent a similar debacle of the Naval Conference in 1935. The prospects are by no means reassuring. As a matter of fact, many are already predicting that the 1935 naval conference will meet with the same fate as the present Disarmament Conference at Geneva."

Moscow *Pravda* commented:—"Two tendencies are becoming ever more clearly defined: one seeking to force preparations for the new war, is represented by those imperialist powers which regard the new war as the way out of the deadlock; the other tendency set itself now to the task of maintenance of peace. But the only most consistent representative of the policy of peace and international collaboration is the Soviet Union. The exchanges of letters on June 9 show that this indisputable fact has been understood both in Prague and in Bucharest."

U. S. Navy to Be Built Up to Treaty Strength

A U.S.$90,000,000 construction program designed to bring the U.S. Navy up to London Treaty strength this year was approved June 6 by Secretary of the Navy Claude L. Swanson. The program approved by the Navy Secretary included the building of one heavy cruiser, three light cruisers of 10,000 tons each, the U.S.$50,000,000 required for the construction of these vessels being drawn from the regular appropriations for the Navy Department, voted at this session of Congress. The Navy's plans also call for immediate construction of 12 destroyers, two destroyer leaders, and six submarines, funds for the building of which will be drawn from the U.S $40,000,000 made available from the Public Works Administration for the first-year program under the Vinson Bill.

President Roosevelt to Meet Japanese Delegation at Honolulu Next Month—Opposition Develops

President Roosevelt has expressed his willingness to receive a delegation of Japanese statesmen in Honolulu next month during his visit to the Hawaiian Islands, it was stated in Washington June 8 by Japanese guests at a luncheon given by the President in the White House for Prince Fumimaro Konoye, president of the House of Peers. Prince Chichibu has been mentioned as the probable head of the proposed Japanese mission.

Government officials in Washington are discouraging efforts to have the President confer with some prominent Japanese leader during his forthcoming visit to Hawaii. It is contended that the President's cruise to Honolulu aboard the cruiser *Indianapolis* is primarily recreational and that politics should not be permitted to intrude.

King Prajadhipok of Siam, now undergoing treatment in London for eye trouble, intends to visit the United States in September. President Roosevelt has already invited the King to live at the White House.

Silver Bill Passes Senate with 50% Profits Tax Intact

The Senate passed the Silver Bill June 11. Three attempts to amend the bill were defeated. The Senate accepted a minor amendment exempting profits derived from mining or industrial operations from the 50 per cent profits tax imposed by the House measure, but the House levy upon speculative silver profits was not altered by the Senate.

The silver bill, after its passage by the House, was severely attacked June 7 by Elmer Thomas from Oklahama, saying it was the poorest excuse for needed money reforms he had ever seen. New York commercial circles opposed the 50 per cent tax on profits from silver dealings on the ground that it would hamper transactions with the Far East.

The *Economic Forum*, (N.Y.) publishing a condensation of Sir Arthur Salter's official report to the Chinese Government, June 10 stressed that the passage of the Silver Bill would retard China's recovery.

Henry Morgenthau announced June 11 that the Treasury had imported five million ounces of silver from London during the week. It is understood that this was paid for by gold from the stabilization fund.

In a message to Congress June 8, President Roosevelt announced that a national system of social insurance against unemployment and old age would be put into effect in the United States next year.

The Senate June 6 approved of the conference report of the Celler Bill creating free-trade zones in American coastal ports

A message was addressed by President Roosevelt to Congress last week confirming the decision of the U.S. Government to make a gift to the Haitian Government of the buildings and material belonging to the American troops stationed in the Republic of Haiti. The United States marines will leave Haiti in October.

Billion Dollar Road Building Bill Passed

The Road Construction Bill, authorizing a three-year road construction program costing over $1,000,000,000, was passed by both the House of Representatives and the Senate, June 10. President Roosevelt was expected to sign the bill promptly.

Ten million members of farm families in fifteen states lying between the Rocky Mountains and the Great Lakes are virtually destitute as the result of complete destruction of crops by drought. The drought will cost taxpayers of the United States about $2,000,000,000 in relief expenditures and increased food prices, it is estimated.

American Airliner Burns—Seven Occupants Cremated

The air liner *Newark* of the American Airways was found in the Catskill Mountains June 11, her seven occupants cremated, after having been missing for 36 hours.

A new attack against the National Recovery Administration was contained in the second instalment of the report of the National Recovery Review Board, headed by the veteran lawyer Clarence S. Darrow, which was issued June 12. General Hugh Johnson, head of the National Recovery Administration, was evidently aimed at by such expressions as "military commander of an irresponsible dictatorship."

Senator Geral, P. Nye, from North Dakota, in the course of a recent speech said a travelling salesman of an American munition factory made in 1928 a trip in the Mediterranean on board a U.S. cruiser and had obtained orders from the Turkish Government. He said he would submit details to the forthcoming Senate Inquiry Committee.

President Roosevelt June 7 signed the Corporate Bankruptcy Bill allowing corporations to reduce their obligations on approval of a majority of creditors in order to prevent receiverships.

J. P. Morgan and Co. are abandoning the underwriting of securities as from June 6. It was understood in Wall Street that one of the primary factors in the decision of Morgan and Co. was the unpromising outlook for new securities issues.

Japanese-Netherlands Indies Conference Starts at Batavia

The Japanese-Netherlands Indies trade conference commenced at Batavia June 5.

The proposed license system which the Netherlands Indies Government is holding as a sort of club in the pending trade negotiations with Japan comprise 56 Japanese articles of export. Japanese reports say that with the proposed license system in force Japanese exports of Yen 150,000,000 to the Netherlands Indies, last year, would tumble to Yen 20,000,000 or Yen 30,000,000.

The Chinese Merchants' South Seas Export Association of Kobe has despatched Hsu Mu-tang, its managing director, and Tokiharu Domoto, Secretary, to Batavia, in view of the serious effect which the proposed import restrictions to be invoked by the Government of the Dutch East Indies on Japanese merchandise will have upon the business of Chinese merchants both in Japan and Java.

France May Also Invoke Quota Against Japanese Goods

Following hints from Britain, a movement is gaining ground in France to restrict the import of Japanese silk and rayon goods into the French colonial territories. Morel Juvenel, president of the Lyons chamber of commerce, recently stated that Japan exports nearly eight times as much cotton goods as Lancashire and has silk spindles nearly 100 times greater in number than those of France. As the manufacturer of rayon, Japan stands second in the world. Japan's import of woven goods into India, China, and other markets, which are important customers of France, especially the Lyons manufacturers, constituted in 1930 nine per cent of the total; in 1932, however, it jumped to 35 per cent.

The Japanese Government has sent a protest to the Government of the Straits Settlement against the recently enacted permissive import system, alleging that it violates the most-favored-nation treaty between Japan and the Straits Settlements.

Jamaica moved June 5 to fall in line with other British colonies in erecting barriers against constantly increasing imports of Japanese textiles.

Socialist Organ Gives Details of Venality of French Press

The French Socialist organ *Populaire* published an article June 6 alleging that various French papers received a total of 2,000,000 francs from Stavisky's agent Astruc. *Le Journal*, *Matin*, *Petit Journal*, *Echo de Paris* and *Petit Parisien* have shared between them 400,000 francs. Other amounts allegedly paid include 25,000 francs to *Petit Bleu*, 15,000 francs each to *Temps* and *Paris Midi*, 10,000 francs to *Figaro*, and 5000 francs each to *Journal des Debats* and *Liberte*.

Police Raid Roulette Establishment in Foreign Settlement

A joint raid by French and International Police was made in the early hours of June 10 on the second floor apartment of Continental Court at 204 Seymour Road, Shanghai, registered in the name of J. Seriano, a French citizen, where a roulette game was in progress. About 20 people in all, among them several Americans and Britons and several women, were present. All the money and chips on the table as well as other gambling paraphernalia were seized. All the foreigners on the premises were allowed to depart after the police had taken down their respective names and addresses. Two or three Chinese, banker and croupier, were also taken into custody.

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SUNSHINE

How many days of your life are lost in feeling badly? How many hours which might be bright are dull and dispirited?

Half-hearted days are frequently due to common constipation. It clouds your waking hours, takes the sunshine out of living. Yet it can be overcome so easily by eating a delicious cereal.

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644

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If you ever feel like this when there is no water for miles around, it is a sure sign that you need Pinkettes, the ideal laxative.

These tiny pills assist nature in a gentle, normal way to keep the internal system clean and free from any accumulation of waste matter. Besides being thoroughly effective, Pinkettes are non-habit forming. If you are bilious, off-colour, suffer from constipation, a dose or two will usually speedily set the trouble right.

Pinkettes purify the breath, make the skin clean and fresh, banish acne, pimples and boils, and relieve piles. Obtainable at all chemists.

China's Budget to Be Balanced at About $770 Millions

The National Budget for the 23rd fiscal year (July 1, 1934-June 30, 1935), the compilation of which has been completed by the Directorate-General of Budgets, Accounts and Statistics, envisages a total national revenue of $770,000,000 and a total expenditure of $760,000,000. The surplus of $10,000,000 is to be reserved to meet extra expenses of the Government. Of the $770 millions, about $200 millions will be applied to the amortization of principal and interest on foreign loans. Payment of loan interest alone will absorb $100 millions. While the figures for military expenses are not yet definitely announced, it is understood that they are not so large as previously reported—expenses for national defence and bandit suppression being of a provisional nature.

Nanking Sends $50,000 to Fukien Provincial Govefnment

A sum of $50,000 was remitted to Foochow June 6 by the Ministry of Finance to assist the Fukien Provincial Government. The financial difficulties of Fukien have been abnormally acute as a result of the revolt last January of the 19th Route Army units. General Chen Yi, Chairman of the Fukien Provincial Government, has appealed repeatedly for a monthly subsidy of $50,000 from the Central Treasury.

Cotton Cooperative Society to Be Organized

With a view to facilitating the rehabilitation of the native cotton industry, it is learnt that the Cotton Control Committee of the National Economic Council, with the assistance of several leading Chinese banks—including the Bank of China, the Bank of Communications, the Kincheng Banking Corporation, the Chekiang Industrial Bank and the Shanghai Commercial and Savings Bank—is organizing a Cotton Production and Sales Cooperative Society, which will have branches in various cotton-producing centers throughout the country.

Animal Husbandry to Be Developed in Northwest

A Preparatory Office for the projected North-Western Animal Husbandry Improvement Station has been established in Lanchow by the North-Western branch of the National Economic Council. Investigations having shown that there is no suitable land for cattle-raising in Yungteng, northern Kansu, experts are being despatched to Shantan, in the northeastern part of the province, to mark out a pasture capable of accommodating 3,000 horses.

In order to develop the cotton industry in Honan province an area of 50,000 mow of land is being developed for cotton growing by the Honan Cotton Industry Development Association.

Reduced Export Duty on Peanuts to Be Continued

In view of the increase in the export of peanuts as a result of the reduction of the Customs duty on exports of the product, Dr. H. H. Kung, Minister of Finance, in a telegram to Mayor Shen Hung-lieh of Tsingtao, states that he has authorized the extension for another three months of the period for enforcement of the reduced tariff.

Measures for reduction of the export duties on eggs for a period of six months have been approved by the Executive Yuan.

The Canton authorities have decided to increase the special tax on imported rice as from June 16.

The Financial Department of the Kwangtung Provincial Government has issued a notice declaring that the tobacco and wine tax in Kwangtung will be increased by two per cent as from July 1.

Banks Furnish Money to Build Chientang River Bridge

The first installment amounting to $300,000 of the loan of $2,000,000 made by the National Commencial Bank, the Bank of Communications, the Bank of China and the Ningpo Commercial Bank to the Chekiang Provincial Government for financing the construction of the iron bridge across the Chientang River has been paid over to the Chekiang authorities, according to information from local banking circles. The entire properties of the bridge will be earmarked as security for the loan, which will be redeemed in ten years; the interest will be 10 per cent per annum.

The highway between Kiangshan (Chekiang) and Pucheng (Fukien) will be open to traffic on July 7.

With a view to promoting the development of communications in the province, investment of private capital in the construction of highways in Kiangsu province is invited by the Kiangsu Provincial Government.

The earnings of the Nanking-Shanghai and Shanghai-Hangchow-Ningpo Railways during the month of May totalled $1,729,642.36, being made up of $1,212,328.06 from passenger and $517,314.30 from freight services, according to a report of the Railway adminstration.

The Bureau of Foreign Trade announces that the Chinese tea trade has fallen off greatly in the South Sea islands and that only a 30 per cent business has been done during the past year as compared with previous years. The causes given are that the Malaya islands are now growing tea themselves and that the dumping of Japanese tea in the south has squeezed out the Chinese product from the market.

A set of measures designed for the relief of the domestic wheat market has been drawn up for enforcement by the Central authorities. According to these measures, the Central Government will continue its efforts for abolition of the different illegal taxes on foodstuffs in the hinterland. Railway freight charges will be reduced, where they are at present unwarrantedly high.

Mrs. Wang Ching-wei has recently collected contributions totaling over $10,000 for the construction of more that 100 model dwelling houses in Hsiakwan for the accommodation of the poor. A large tract of land is stated to have been purchased by the municipal authorities who are now making detailed plans for the building of the projected living quarters along more sanitary lines.

Nanking Mandate Prohibits Tax Increases

A Mandate prohibiting the imposition of new forms of illegal taxes or levies was issued by the National Government June 8. Violations, it was announced, would be sternly dealt with.

Cheng Kung-po Returns from Visit to South Seas

Chen Kung-po, Minister of Industries, arrived back in Shanghai June 11 after an extensive tour to the South Seas Islands lasting almost two months. Interviewed upon arrival, Minister Chen said that he had visited four principal places in the South Seas, French Indo-China, British Malaya, Dutch East India and the Philippine Islands. The Chinese communities in the South Seas, he stated, are tremendously interested in the events in China. Minister Chen said that leading Chinese financiers all express willingness to invest in the internal development of China, but they prefer to wait and see the developments in the country for the present. If China can develop a stable Government free from internal disturbances and sound financial credit, overseas Chinese capital would naturally flow to China, Minister Chen stated. Otherwise, no amount of encouragement can induce them to change their present attitude.

Minister Chen remained in Shanghai for several days to make arrangements with local industrial and business leaders for the development of Chinese trade in the South Seas Islands and then proceeded to Nanking.

Convict Labor on Land Reclamation Work

A set of regulations governing the employment of convict labor for land reclamation work, newly drawn up by the Ministry of Judicial Administration, has been approved by the Executive Yuan, and forwarded to the Central Political Council for record.

Liu Ching-shan Reports on Seiyuan Irrigation Work

Liu Ching-shan, Director of the North-western branch of the National Economic Council, who recently made a trip to Kueihua, provincial capital of Suiyuan, proceeded to Nanking from Peiping during the week, and reported to T. V. Soong, member of the Standing Committee of the Council, on his inspection of the Min Sheng Irrigation Canal in Suiyuan province. The Min Sheng Irrigation Canal is 40 miles long. One half of the engineering work will be completed in one year; as a result a tract of land more than 500,000 mows will be benefitted.

Farm Surtaxes Must Be Reduced

A set of general principles, to serve as a basis for the reduction of farm surtaxes, was announced by the Ministry of Finance, at Nanking June 10. According to these principles, the surtaxes on the farm tax must not exceed the regular tax. Where the surtax is comparatively light, the total of the surtax and the regular farm tax must not exceed one per cent of the land value. Beginning from the new fiscal year, no further increase in the existing surcharges on the farm tax may be imposed by the local authorities, whatever the circumstances and regardless of whether the surtax does or does not exceed the regular tax.

⁂

Nearly All Leaf Tobacco Imported into China Comes from U.S.

The total value of cigarettes imported into China during the first four months of this year was G.U.359,884, of which G.U.232,828 came from Great Britain. Out of a total of G.U.17,375,137 of leaf tobacco imported, G.U.17,200,416 came from the United States. (A gold unit is just under two Chinese dollars.)

⁂

Chinese Railway Finances Discussed at B. and C. C. Meeting

D. G. M. Bernard, presiding at the thirty-sixth annual meeting in London recently of the British and Chinese Corporation, reviewed railway conditions in China. Referring to the Peiping-Mukden Railway, he said the line continued to be worked in two separate divisions, the junction of which is at Shanhaikwan. An agreement was arrived at between the two parties by which the Manchukuo Administration accepted responsibility for payment of the service of the 1899 loan. This is now made monthly from Mukden, leaving the discharge of other loans secured upon the

surplus earnings to the Chinese Administration of the Peiping-Shanhaikuan section at Tientsin.

Turning to the Shanghai-Nanking Railway, he said its finances are by degrees reshaping themselves. The oldest outstanding coupon, that due in June, 1932, was paid in December last, and the dividend due to net profit sub-certificate holders for 1929 was paid in October. There are still heavy arrears to be made up, but unless unexpected developments or untoward happenings occur, to both of which a railway in China is ever unhappily prone, there should be nothing to prevent the complete recovery of the railway at no distant date, Mr. Bernard said.

The Tientsin-Pukow Railway, Mr. Bernard said, showed gross earnings for the year of over $21,000,000, about $1,000,000 more than the previous year, which ought to produce net revenue of at least $6,000,000. However little progress had been made towards liquidating the arrears of loan service and no satisfactory explanation had been forthcoming of the continued failure to do so.

Junkmen at Chinkiang Protest New Salt Ruling

More than 200,000 workers and boatmen have been thrown out of work as result of the change recently made by the Hupeh and Hunan authorities in the transportation of salt by which junks were ruled out in favor of steamers. A general business strike has been declared in the Yitsun districts in sympathy with the 200,000 jobless boatmen and workmen. A total of 60 large junks carrying hundreds of boatmen assembled at Chinkiang during the week. The boatmen as well as various public organs have jointly appealed to the Kiangsu provincial government to relieve the situation but without avail.

China Development Corporation to Start Operations July 1

July 1 has been fixed as the date for the official opening of the China Development Finance Corporation, according to information in local banking circles. It is learned that the management of the Corporation has already applied to the Ministries of Finance and Industries for registration and licenses for business. The licenses are expected to be issued in the course of next week. During the past few days, the management has recorded more than a dozen applications for investments in the Corporation. They are being considered by the Board of Directors and pending completion of investigations, the names of the applicants will be withheld from the public.

Five Percent Customs Surtax Is Continued

The extension of the enforcement of the 5% Customs surtax for another year from July 1, as recommended by the Ministry of Finance, was approved by the Legislative Yuan at its session last week. In pursuance of the decision, the Executive Yuan has instructed the Ministry of Finance to continue the levy of the surtax and to circularize the order to the various Customs Houses to this effect.

Dr. Wang Shih-chieh's Plan for Administering Boxer Indemnity Funds

(From the Peiping Chen Pao, June 6)

At a conference held in Nanking last March, Dr. Wang Shih-chieh, Minister of Education, submitted a plan providing for the division of work among the five existing Boxer Indemnity commissions. The gist of the plan was that the American share of the indemnity should be used for the development of natural sciences, the British portion for agriculture, engineering and medicine, and the French share for medicine, pharmacy, biology and arts. The plan also made provision for social sciences and literature. While we do not consider the plan of Dr. Wang perfect, we feel that the Government has at least realized the defects of the existing system under which each commission is carrying on its work without regard to the program of the other. It is a system pregnant with abuses. On the whole the British and American Boxer Indemnity Commissions have done good work. The same cannot be said of the other commissions which seem to have placed too much emphasis on the establishment of libraries and museums and on the despatch of students to foreign countries for advanced education. The real needs of the country, however, have been neglected. We maintain that henceforward the Executive Yuan should direct the attention of the various Boxer Indemnity commissions to the improvement of Chinese agriculture and the training of rural workers. We suggest that before deciding on their programs for the ensuing year the various commissions get together and discuss their plans in common so as to avoid any overlapping of efforts.

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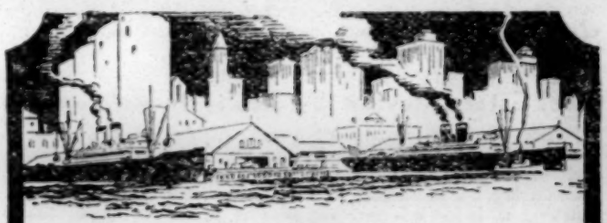
All applications and inquiries should be addressed to the Director at 1954 Avenue Haig, Shanghai.



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Extra Settlement Road Question Not Yet Definitely Settled

The *China Times* (Shanghai) says that through the repeated exchange of views between O.K. Yui, Secretary-General of the Municipal Government of Greater Shanghai, and Sterling Feesenden, some sort of an understanding has been reached regarding the management of the extra-Settlement roads, which question has remained deadlocked since last year. According to the tentative agreement reached, a special police unit will be created to patrol the extra-Settlement roads. The police unit shall have a chief and deputy-chief who shall be Chinese and British respectively. Under them will two police officers, one of them shall be a Chinese and the other a Japanese. The only question which remains to be settled is the boundary line of the extra-Settlement roads, which question is still under the consideration of the authorities concerned. But with the departure of Shen Yi, Director of the Land Bureau of the Municipal Government of Greater Shanghai, for Europe, the extra-Settlement issue is not likely to have any result until his return.

The Shanghai *Chen Pao*, however, says no negotiations have been conducted between Mr. Yui and Mr. Fessenden since the deadlock last year.

Chinese Warship Visits Yokohama for First Time in 22 Years

In connection with the visit of warships from various countries to Japan to honor the memory of the late Admiral Togo, it is to be noted that China was represented by the Chinese cruiser *Ninghai*—the first Chinese warship to enter Yokohama in 22 years. The *Ninghai* is commanded by Captain Kao Hien-chia and has a complement of 365 officers and men. Japanese officialdom and Chinese residents united in entertaining them. The *Ninghai* was built in Japan last year.

Cantonese Agitate for Return of Kwangchow-wan by France

Following a recent incident involving that area, agitation for the retrocession of Kwangchow-wan, in the extreme south-west of Kwangtung, to China by France, has been revived at Canton. The detention of a Chinese airplane there caused indignation and the increased smuggling from that area is seriously affecting the trade of Pakhoi. It is pointed out that France at the Washington Conference of 1921-1922 solemnly promised to return Kwangchow-wan to China on the condition that Great Britain first handed back Weihaiwei to China. The Chinese claim that although the rendition of Weihaiwei has long since become an accomplished fact, so far little or nothing has been done by France to fulfill her pledge.

Real Estate Review by Realty Investment Co.

The Northern district compared to the other sections of Shanghai has been at a standstill for a little more than two years, so that any improvement in this district is very noticeable and encouraging. The largest permit for the week is in the Northern district. It is for a large addition to a school on Range, Fearon and Thorne Roads.

In the Central district there is just one permit for a foreign shop on Canton Road, just west of the corner of Shantung Road.

Of the two other districts, the Eastern district has twice as many permits as the Western district, while the French concession has but one permit of any size.

In the Eastern district there are the following :—

12 Chinese houses and 7 Chinese shops on Pingliang Road, East of Yangtszepoo Road.

6 Chinese bungalows and an open shed on the corner of Pingliang and Linching Roads.

Office building on Pingliang Road, West of Ningwu Road.

12 Chinese houses off Baikal Road, East of Dalny Road.

Boiler room off Dalny Road, near the junction of Yuhang Road.

Chinese residence on the corner of Liangchow Road Extension and Tengyueh Road extension.

7 Chinese houses off Chaoufoong Road, North West of Yochow Road.

14 Chinese shops and 2 Chinese houses on the corner of East Yalu and Wuchow Roads.

An open shed on the corner of Point and Chusan Roads.

In the Western District there are the following permits for new buildings :—

Foreign Residence with garage on Haiphong Road, at the junction of Singapore Road.

16 Chinese houses off Kiaochow Road, North West of the corner of Sinza Road.

7 double shops and 1 single shop and 7 garages on Medhurst Road, between Avenue and Sinza Roads.

7 Chinese Hongs off Laipo Road Extension, South on Ferry Road.

In the French Concession off Route Boissezon, just West of Route Magy, an apartment house of eleven stories.

Text of New Sino-Turkish Treaty Is Published

A translation of the text of the new Treaty of Amity between the Republic of China and the Republic of Turkey, which was concluded at Ankara on April 4, 1934, and ratified by the Chinese Government on May 30, was issued at Nanking June 9. The main provision of the treaty is that the contracting parties agree to regulate the consular and commercial relations between their respective countries as well as questions relating to domicile and residence of the nationals of one party in the territory of the other by a Convention to be concluded subsequently.

Three Special District Court Officials Are Impeached

An impeachment against Feng Shih-te, Judge of the Criminal Division of the Shanghai 1st Special District Court, and Messrs. Hsiao Hsieh-fen and Teng Pao-sun, Procurators of the said Court, has been brought by Cheng Lo-sheng, member of the Control Yuan. Messrs. Feng, Hsiao and Teng are accused of partiality and dereliction in official duty—specifically that they allegedly showed favoritism to Chi Chiao-mee, compradore of the Hardoon Estate, in a recent seduction case. The case has been referred to the Committee for the Disciplinary Punishment of Public Functionaries for decision.

An impeachment has also been brought by Yang Jentien, member of the Control Yuan, against Li Feng-yang, Acting Director of the Hopei Bureau for the Custody of Public Properties. Mr. Li is charged with corruption and acceptance of bribes. The case has been referred to the Hopei Provincial Committee for the Disciplinary Punishment of Public Functionaries.

Opportunities for Trade With American Concerns

The following trade inquiries from firms in the United States have been received in Shanghai. Persons interested in communicating with these concerns should address the U. S. Consulate-General at Shanghai, mentioning the specific number or numbers when writing:

126 — An exporting concern in Peiping, dealing in skins and furs, wishes to communicate with interested parties.
127 — New York manufacturers of radio receivers wish to market their products here.
128 — Los Angeles agents wish to represent firms in China.
129 — A San Francisco firm desires to get in touch with shippers of hog and sheep casings, bristles and other China produce.
130 — A Detroit individual is desirous of making connections in China with manufacturers of fans and advertising specialties, such as calendars, etc.
131 — A San Diego shirt factory wants to contact manufacturers of Chinese materials.
132 — A California company wishes to get in touch with firms interested in wholesaling its line of orange, grapefruit and lemon juices in China, and firms dealing in China foods desiring representation in the United States.
133 — A Los Angeles firm is desirous of securing the names of exporters of sesame seeds from China.
134 — An American lawyer, member of a New York law firm, has for a number of years specialized in representing foreign interests in the United States, and desires to make further official or private connections.
135 (360)—A Syracuse firm offers a fire extinguisher compound.
136 (361)—A New York City firm offers a line of radios.
137 (362)—A Los Angeles agent desires to act as agent for Chinese firms.
138 (363)—A Portland firm desires to market boxed apples and pears.
139 (364)—A California aviator desires employment.
140 (365)—A New York firm offers used lace making machinery.
141 (366)—A Los Angeles firm offers sweetened condensed milk and and dry skim milk.
142 (367)—A New Jersey firm offers a complete line of metal hospital an dphysicians' furniture.
143 (368)—A San Francisco firm desires to import bristles.
144 (369)—A California individual wishes to import cheap semi-precious stones.
145 (370)—A Los Angeles firm offers a line of modern farm implements.
146 (371)—A New York firm desires to market radio receiving sets.
147 (372)—A New York firm offers a complete line of cosmetics and medical supplies.
148 (373)—A New York individual desires to connect straw braid exporters.
149 (374)—A New Orleans firm offers raw furs.
150 (375)—A California firm offers a line of American liquors.
151 (376)—A Cincinnati firm offers a line of lathes and tools.
152 (377)—A Missouri firm offers a line of burglar-proof, fire-proof, portable safety boxes with automatic alarm.
153 (378)—A Universaity graduate desires employment as a science teacher.
154 (379)—A New York firm wishes to market old and overissue newspapers.
155 (380)—A Massachusetts individual offers his services as an import-export agent.
156 (381)—A Los Angeles firm offers a line of welded bird cages, show case racks, mesh screen, et cetera.
157 (382)—A New Haven, Connecticut, firm offers a line of up-to-date corsets.
158 (383)—A Chicago firm offers a line of gasoline and Diesel trucks.
159 (384)—A Los Angeles individual offers rock salt.
160 (385)—A Brooklyn firm offers shoe fabrics and findings.
161 (386)—A New York individual offers building supplies and articles for department stores.

Who's Who in China

Chao Yu-chin, Government official; born at Taiko, Shansi, 1880; since 1913, he has served successively as Brigadier-commander of the Vanguard Force of the Expeditionary Army to Mongolia; Garrison Commander of Paotao, Suiyuan; Garrison Commander of Ningpao, Ninghsia, 1917; senior staff officer at the Headquarters of the Military Governor of Shansi and concurrently superintendent of the Highway Construction Administration of Shansi province; director of the Preparatory Office of the Northwestern National Highway System, 1921; Chief-of-Staff to the Headquarters of the Tutung of Suiyuan; Commander of Cavalry Division of the Vangaurd Force of the Northern Punitive Expeditionary Army, 1925; Commander-in-Chief of the Honan Provincial Militia and concurrently Commander-in-Chief of the Honan Bandit-suppression Forces, 1927; Garrison Commander of Western Honan; member of Honan Provincial Government; Mayor of Chengchow Municipality and concurrently Garrison Commander of Chengchow; Pacification Commissioner to Shansi; expert attached to the Ministry of Industries; President of the National Goods Emporium at Shanghai; member of the National Flood Relief Commission and concurrently special Commissioner of the Commission stationed in Hunan; now, member of the Shensi Provincial Government and concurrently Commissioner of Reconstruction; address: Department of Reconstruction, Shensi Provincial Government, Sian, Shensi.

Chao Yu-chin

趙守鈺字友琴

趙守鈺字友琴，山西太谷人，現年五十四歲，民二以來，歷充征蒙前敵總指揮團旅長，包頭衛戍司令，六年任甯保衛戍司令，山西督軍署高級參謀兼督修山西全省汽車路，十年任西北國道籌備處長，綏遠都統署參謀長，四年任北伐軍前敵總指揮騎兵師長，十六年任河南民團軍總司令及河南全省剿匪總司令，豫西警備總司令，嗣迭任河南省政府委員，鄭州市長，兼鄭州警備司令，山西宣撫使，實業部專門委員，上海國貨商場委員長，國府水災救濟會委員兼駐湘專員等職，現任陝西省政府委員，兼建設廳長，對陝境公路鑛產農林水利諸要政進行不遺餘力，時人譽爲開發西北之急先鋒良非虛也。

Pratap Leaving Tokyo Soon to Try his Luck in Siam

According to a *China Press* dispatch from Tokyo, "Raja" Mahendra Pratap, leading Indian protagonist of the Nippon-sponsored Pan-Asiatic movement, will leave Tokyo shortly for Siam to spread the doctrine of Pan-Asia.

Pratap returned to Tokyo recently after an unpleasant and fruitless trip to Canton and Shanghai. In Canton he was deported, while in Shanghai he experienced passport difficulty.

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Starting at Peping, the ex-capital of China, called the most interesting city in Asia, with its intricate systems of walls, its Imperial palaces and its beautiful temples and tombs the Peping-Liaoning Line goes down to Tientsin, the great port of Chihli, and from there swings in a wide circle on its pathway to the north. From Lanchow to Chinchow the railway follows the line of the Gulf of Chihli, passing through Shanhaikwan, where the Great Wall ends at the sea, and thence on to Mukden, the ancestral home of the Manchus, a city which vies with Peping in its splendor of palaces and temples and ancient shrines.

Through tickets are issued and passenger's baggage registered through between the important stations on the Peping-Liaoning Railway and the South Manchuria, Choser (Korean) and Imperial Japanese Government Railways. At Peping connections can be made with the Peping-Hankow Railway and with the Peping-Suiyuan Railway and at Tientsin connections can be made with the Tientsin-Pukow Railway, for Tsinanfu, Nanking and Shanghai.

For information as to rates, schedules, accommodations, etc. apply to any Tourist Bureau, or communicate directly with the Superintendent of Transportation.

IMPORTANT NOTICE

Owing to the Japanese occupation of Manchuria, tickets are only sold to Shanhaikwan where the Peping-Liaoning Railway crosses the Great Wall. The Chinese Government Railways assume no responsibility for transportation or safety of passengers beyond Shanhaikwan.

Peping-Liaoning Railway

Head Office

TIENTSIN

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No. 2

Men and Events

Lin Sen, Chairman of the National Government, left Nanking during the week for Kuling, where he will spend the summer.

A son, Theron, was born at the Country Hospital, Shanghai, May 23 to Major and Mrs. E. P. Howard. Mr. Howard is distributor in China for the Douglas Aircraft Corporation

The death occurred in Shanghai June 4 of Mrs. Mabel Shengle, widow of the late J. C. Shengle. The funeral, according to Christian Science rites, was held June 6.

A ground-breaking ceremony took place Sunday, June 10, on the premises of the Community Church in Shanghai for the new headquarters of the American Boy Scouts and Cubs.

Mrs. Louise Straus Brandstratter, daughter of S. W. Straus, in Los Angeles June 6 obtained an annulment of her marrage to Norbert L. Brandstratter, of Shanghai.

General Yang Chih, head of the Chinese Military Mission in Europe, who had been visiting England during the past several weeks, proceeded to Berlin last week, where he will remain for two months.

William Ambrose Spencer of the Aviation School at Hangchow, and Miss Alma Lollance Ray of Oakland, California, were married at the U. S. Consulate General in Shanghai June 5 by the Rev. George A. Fitch.

The Central Bank of China has decided to establish a branch bank in Chinghai for the purpose of facilitating the development of that province. When established the Chinghai branch will extend credit to farmers.

Hot springs in the Tseking district in Kwangtung Province recently resumed activity after having remained quiescent for 23 years. As a result the Tenglo mountain has developed into a popular tourist and health resort.

Dr. H. A. Erickson has arrived in Shanghai to be the medical director of the Shanghai Sanitarium and Hospital located at 150 Rubicon Road. He is assisting Dr. H. W. Miller, the medical superintendent.

The Rev. T. K. Shen who was recently elected as the first Chinese missionary bishop to head the new diocese of Shensi, was consecrated at the All Saint's Church, Rue Lafayette, June 9 by Bishop Norris, chairman of the House Bishops of the Chung Hua Sheng Kung Hui.

Dr. Wellington Koo, Minister to France and China's chief delegate to the Disarmament Conference, and Dr. Victor Hoo, Chinese Minister to Switzerland and permanent delegate to the League of Nations, departed from Europe this week on their return to China, to report on the disarmament and narcotic situation.

Edward W. Everett, of the law firm of Winston, Strawn and Shaw of Chicago, was a brief visitor to Shanghai last week. In an interview he said was quite possible that legislation modifying the present Oriental exclusion laws would be passed during the present session of Congress.

George Fitch, general secretary of the Foreign Y. M. C. A., is leaving here accompanied by Mrs. Fitch on June 19 for a holiday in the United States. An informal dinner was arranged in their honor by the board of trustees, staff and members of the Foreign Y.M.C.A. for Thursday, June 14.

Dr. Diehn, managing director of the German Kali Syndicate, for many years resident in the Far East, was elected President, and Herr Linde, hitherto secretary general, was appointed managing director of the "Verband fuer den Fernen Osten" that is the "Far Eastern Association" at its annual meeting in Berlin June 7.

A prediction was made by Mme. Terfren Laila, world renowned occult scientist, who reached Shanghai last week, that a war between Japan and the Soviets is imminent. Mme. Laila has made many predictions regarding world events in the past, which have come true. She is stopping at the Astor House.

Six professorships in various universities in China have been made open to applicants from British universitiea, according to a resolution adopted by the Sino-British Cultural Association at their meeting held in Nanking May 28. The Association was been registered with the Central Party Headqnarters and the Ministry of Education.

Under the auspices of the Health Department of the Shanghai Municipal Government a Health Movement will be held in Shanghai for a period of seven days, beginning from June 19. Mayor Wu Teh-chen has been elected Chairman of the Movement. During the week many leading health experts will broadcast speeches on health affairs.

Under the auspices of the Chekiaiaiche (Association for International Intellectual Collaboration), a group of eleven Chinese boys and girls departed from Shanghai for Europe last week to study at the Ecole Internationale in Geneva. Prior to their departure, they were given a farewell party by Li Shih-tseng, member of the Central Supervisory Committee. Mr. and Mrs. Chang Chin-kiang, Hsu Shi-ying, Mr. and Mrs. Chiang Tso-ping and several foreign guests were among those present. Mr. Li in a speech said that they were the first batch of Chinese students ever sent to the the Ecole Internationale and he hoped that they would be a credit to their country.

Paulino Sampedro, prominent in the lumber industry in the Philippine Islands, spent several days in Shanghai last week in the course of a tour of China and Japan with a view to boosting the sale of Filipino products. Senor Sampedro was entertained at dinner by local officials and business men at the Castilla Restaurant June 8.

A fire broke out in a cotton cargo on the west-bound Dollar liner *President Lincoln* a few hours out from Honolulu on the night of June 7. Wireless messages brought help from the U. S. Navy and the ship arrived safely in the Hawaaian port on the morning of June 7. Some airplanes for China were lying on the cotton. Details as to damage they suffered, if any, are not yet available.

Li Ming, well-known Chinese banker of Shanghai, at present in London to attend the forthcoming marriage of his daughter, is looking up business propects. In a recent interview he said he would see Sir Harry McGowan, chairman of Imperial Chemical Industries Limited, and Sir Victor Sassoon, in addition to other leading British personages interested in the Far East.

As a lasting tribute to the late Admiral Yang Shu-chwang, former Chairman of the Fukien Provincial Government and Minister of Navy, General Chiang Kai-shek has wired to the Fukien Provincial Authorities to erect a brass statue to Admiral Yang in Foochow. General Chiang stated that he will personally bear the expenses for the cost and construction work of the statue.

Miss Emma Silver celebrated her seventieth birthday and the completion of 40 years missionary service in China at the Nantao Christian Institute June 9. Dr. E. C. Lobestine, on behalf of the Presbyterian Mission, paid a high tribute to Miss Silver for her devotion to missionary service in this country. Miss Silver's home in the United States is Detroit, Michigan.

Miss Ting Vung-yuin, daughter of a local Chinese physician, who is now studying at Bryn Mawr U.S.A., has won the Maria L. Eastman Brooke Hall Memorial Scholarship for the junior class's best scholastic record. She has also been awarded the Charles S. Hinchman Memorial Scholarship for being best of any Bryn Mawr girl in her major subject, chemistry.

A Seven-Province Anti-locust Conference was convened in Nanking last week. The conference was attended by delegates from the provincial Departments of Agriculture of Kiangsu, Hopei, Chekiang, Hunan, Anhwei, Honan and Shantung, representatives from the Department of Agriculture of the Ministry of Industry, Central Agricultural Experimental Station and several agricultural experts of the country.

The marriage is scheduled to take place in the Chinese Legation in London July 7 of Sze Ming-sze, a doctor on the staff of St. Thomas's, and son of Dr. Alfred Sze, Chinese Minister to the United States, to Bessie, daughter of Li Ming, prominent Shanghai banker. Quo Tai-chi, Chinese Minister, will officiate. Li Ming has already arrived in London and Dr. Sze was expected to leave Washington for London end of this week.

The Chinese steam launch, *Yu Li*, running between Canton and Whampoa, was blown up and a passenger junk completely wrecked and sunk as a result of a terrific boiler explosion June 6. About 150 persons were killed and many seriously injured. One member of the crew was blown 500 feet into the air. He landed in the police courtyard at Honam across the river, completely dismembered.

Lieutenant Colonel Hermann von Kriebel, whose appointment as German Consul General in Shanghai, was announced in Berlin on April 24, will arrive here on June 21 aboard the German liner *Duisburg*. Colonel Kriebel is a close friend and staunch supporter of Hitler. In 1923 he shared a cell with Hitler in the fortress of Landsberg and was released in 1925. He then came to China and was for a time military adviser to the Nanking government. He returned to Germany three years ago.

C. Sun Yong, formerly secretary to the Chinese Minister at Washington, and until lately Canton representative of the American Advertising Agency, was due to arrive in Shanghai from Canton during the week with his wife, the former Miss Dorothy Bu-Hynn Wong, en route to Nanking, where he will join the diplomatic service of the Central Government. Mr Young is a graduate of Chinan University and of the Foreign Service School of Washington, D. C. Mrs. Young is a graduate of Sun Yat-sen University.

The Canton Hospital is celebrating its 100th anniversary this month. With funds donated by supporters, including the Kwangtung Provincial Government and the Canton Municipal Government, a new building for the hospital, which is expected to be one of the most up-to-date in China, is being erected. At the cornerstone laying ceremony recently held, speeches were made by Liu Chi-wen, Mayor of Canton, and Herbert Phillips, British Consul-General in Canton.

Scoring the lascivious or fantastic fashions in present-day women's dress, General Chiang Kai-shek, in an order to the Kiangsi Provincial Government, June 8 stated that such fashions, being detrimental to public morals, must be suppressed. Later it was announced that a set of regulations has been promulgated by the Kiangsi Provincial Government governing women's dress in that province. It is provided among other things that the length of gowns should be about the height of the ankle, and the distance between the collar and the cheek must be not less than one-inch-and-a-half.

The University of Shanghai will hold its twenty-second annual commencement exercises June 23 at 4 p.m.

A petition by Jacob A. Polonetsky, sales manager of Bills Motors in Shanghai, to change his name to Jacob A. Pollon, was granted in the U. S. Court for China June 12.

The sttike of American seamen on the Pacific Coast has delayed the sailing of the Dollar liner S. S. *President Grant*, which was due to sail from Seattle June 9. The *Grant* was scheduled to take the place of the *McKinley*, which is being overhauled.

Dzing Ah-foh, Johnson Garage chauffeur who stabbed his wife and killed her lover when he found the latter sitting beside her on the bed upon his return home on May 21, was sentenced to five years' imprisonment in the First Special District Court June 12.

Chan Lim-pak, one of the most prominent leaders of the Chinese community in Hongkong, who was arrested on June 5 on a charge of having misappropriated $1500 belonging to Nanyang Bros., failed to appear in court June 13. His bail of $10,000 was forfeited. A warrant for his arrest was issued.

Measures regarding funds for the establishment of the proposed Mausoleum Museum, the cost of construction of which is estimated at one million dollars, are being devised by the Ministries of Finance, Education and Railways in conjunction with the Boards of Trustees of the various Boxer Indemnity Refunds, the China Foundation for the Promotion of Culture and Education (American) and the Sino-Belgian Indemnity Commission.

The fifth general assembly of the Lutheran Church of China, in session this week at the new Chinese Y. M. C. A. building, French Concession, comprises delegates of six nations—Denmark, Norway, Sweden, Finland, Germany, Canada, and the United States. Their work is being gradually taken over by the Chinese synods organized into a Lutheran Church of China in 1920. The president of the Chinese national Lutheran Church is the Rev. Chu Hao-ran, pastor of the Lutheran Church in Shanghai.

The Nanking American School, known as "Hillcrest", held its graduation exercises June 8, when six pupils were graduated, as follows: Dorothy Emma Jones, Charles Barclay Love, Harriet Cornelia Mills, Edith Roberts, Dorothea Margaret Smith, and Celia Margaret Steward. Of these graduates, one will go to Kuling next year, one returns to America, and four will go to the Shanghai American School. Rev. W. P. Roberts delivered an address. The diplomas were presented by the Rev. C. Stanley Smith.

No Conversation in English Allowed in Kiangsu Capital

The *Sin Wen Pao* says the Kiangsu Provincial Government has posted a notice in the sitting room of its office in Chinkiang prohibiting conversation among the staff in English. The notice declares that the English language can be used when talking with foreigners who do not understand Chinese and that those who talk in English to their fellow workers should be driven out from the sitting room immediately. It is understood that the new order is a part of the "New Life" movement.

Palace Museum Head Says Reorganization Is Absolutely Necessary

In an interview upon his arrival in Nanking from Peiping last week, Ma Heng, director general of the Peiping Palace Museum, said revolutionary measures must be adopted for its reorganization. He said a set of measures for the reorganizationof the Palace Museum, has been formulated, and will be submitted to the Central authorities for approval. If these measures should be deemed inapptopriate or inexpedient by the Government, he said he would have to resign his post, as without such reorganization he would be unable to shoulder the heavy responsibilities involved.

Imports from Japan, $11,554,046—Exports from China, $663,455

According to figures announced by the Foreign Trade Bureau in Shanghai, the total imports into China from Japan during the month of April amounted to $11,554,046, which figure included imports from Formosa. The amount was $1,913,732 less than the figures of the corresponding period last year and $805,857 more compared with the amount of imports in March. The total amount of exports from China to Japan for the same period was $663,455, mostly flour and cotton.

Puritanical Wave at Hongkong Boosts Business at Macao

As a result of a recent order of the Hongkong Government to abolish the remainder of the licensed quarters, including a prohibition of sing song girls appearing at restaurants, an impetus has been given to the amusement enterprises at Macao, Portuguese possession, and the Chinese town of Shumchun, where the Yau Sheng Company operates an extensive gambling establishment, for which it pays high taxes to the Chinese authorities there.

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CUSTOMS NOTIFICATION NO. 1367

The public is hereby notified that in accordance with Government instructions heading (2) in Customs Notification No. 1,353 is to include broken rice containing no bran at all and is therefore to be amended to read as follows:—

(2) Broken rice containing 50 per cent., or less than 50 per cent., bran is to pay import duty as "paddy"; and broken rice containing 50 per cent., or more than 50 per cent., unbroken rice is to pay import duty as "rice."

H. O. Tong,
Supperintendent of Customs.

A. C. E. Braud,
Commissioner of Customs.

CUSTOM HOUSE,
Shanghai, 7th June, 1934.

New Books of Interest in the Far East

Mongols, "Manchukuo," and the Far Eastern Crisis

The Mongols of Manchuria. By Owen Lattimore. 311 *pp. The John Day Company, New York,* 1934. *U.S.*$2.50.

This new book by Lattimore on the Mongols of Manchuria dealing with "their tribal divisions, geographical distribution, historical relations with Manchus and Chinese, and present political problems, "is a most timely and important one. The Inner Mongols are a people among whom, owing to the hatred of Chinese rule developed by many decades of encroachment upon their lands by Chinese officials, land speculators, and settlers, Japanese influence has made great headway. Hsingan province of "Manchukuo" is a Mongol province, and the biggest of the five provinces into which the puppet state has been divided. Within it the Mongols possess virtual autonomy now, though of course with Japanese advisors, who however seem to exercise much less control than over the Chinese provinces of "Manchukuo,"—evidently for the reason that the Mongols are far more friendly to the Japanese, and far more to be depended upon in the role of allies, than are the Chinese of Manchuria.

It may be well to note, at the outset, that the book is quite readable. Persons who have read Lattimore's previous book, "Manchuria, Cradle of Conflict," and have been wearied and annoyed by the long words, involved phrases, incohesiveness, and generally bad writing in that really quite worth-while book, can be assured that the writing of the present volume is much better, with simpler, clearer, and more coherent modes of expression, than that of the earlier work. Like that book—and like Lattimore's earlier accounts of his travels in "The Desert Road to Turkestan" and "High Tartary" —the present work is based upon his own travel and observation in the areas referred to, supplemented by historical material from standard sources and data from Mongol and Chinese informants.

In his opening chapter, "Mongolia Enters World Affairs," the author introduces a most interesting thesis, declaring that the question of Mongolia is one of the most serious and vital ones opened up by Japan's creation of "Manchukuo," which "is a completely senseless product of violence unless it means the opening up of the far more comprehensive question of Mongolia." He sees the creation of "Manchukuo" itself as Japan's counterbalance to the privileged position and concessions gained by Western Powers in China south of the Wall, being "an attempt to set up a continental power in Asia, based on the territories north of the Great Wall, as an alternative to the maritime power exercised over China by the Western nations, as represented in the last hundred years of history by the 'unequal treaties' and the treaty-port positions of advantage held by foreign nations." In this setting up of a continental power, Mongolia is of enormous significance.

It is Mongolia, indeed, which may bring about war between Japan and Soviet Russia. Responsible leaders on both sides undoubtedly recognize the terrible cost and danger of such a conflict, and it is doubtful if Japan's military men, whose "forward" policy has been exacerbating relations with the Soviet Union, have any desire whatsoever to clash with such a powerful foe. But, as Lattimore points out cogently, the new policy in Mongolia makes definitely for war. Outer Mongolia is a "Republic, governed under a form of state socialism," where "the old privileged classes have been dispossessed," and where, "owing to the hostility between Outer Mongolia and China, Russian influence has become paramount." The major part of the Inner Mongols—the main subject of Lattimore's study—are however under Japanese influence, also as a result of antagonism to Chinese encroachment: "The hopelessness of Mongol efforts to hold back the Chinese provided Japaln with a ready-made Mongol policy in Manchukuo, and apparent y it has been executed with a good deal of success. All of the uncolonized Mongol territory in Manchukuo has been set aside as an autonomous Mongol province, under the name of Hsingan province. The autonomous province itself has a greater degree of freedom in its internal affairs than any other part of Manchukuo. The Mongols are ruled partly by their hereditary princes and partly by elective and appointive officials. They are even allowed to maintain their own troops," the regular "Manchukuo" troops being altogether excluded. They "have been given regional autonomy, with a status which approximates to alliance with the Japanese," and "the princes have been able to assume once more the possition of natural leaders of their people, in a movement which may yet restore unity and nationality to the Mongols."

With the idea of a new national unity now inspiring many Mongols, the choice "is between revolutionary nationalism, in association with Russia, and conservative nationalism, in association with Japan, but led by their own princes, descendants of the holy House of Chingghis, and fortified by their own religion, which as part of the old 'feudal' system has suffered heavily in Outer Mongolia." Te Wang, leader of the "autonomy movement in the areas" of Inner Mongolia still under Chinese suzerainty, represents the feeling that "a general restoration is at hand which may sweep from Inner Mongolia into Outer Mongolia." Lattimore notes that "the symbol of this feeling was the coronation of P'u Yi as the monarchical ruler of Manchukuo," a Manchu Emperor being an excellent "focus of unity among the Mongols," better indeed than any Mongol candidate could be, owing to personal rivalries among the ruling princes themselves, all of whom are descendants of Jenghis Khan. "Now it is possible to think of unification in terms of a counter-revolution in Outer Mongolia, leading to the restoration of the hereditary princes, the Lama Church, and the old tradition."

This aim, according to Lattimore, brings "the almost certain prospect of Mongol civil war," in which Japan and the Soviet Union are vitally interested. "The initiative lies with Japan," who "may not be in a good position to make a frontal attack on Russia; but it might be good policy to start a tribal war in Mongolia, and to follow it up if there seemed a good chance of bringing Outer Mongolia under Japanese control. If that were accomplished . . . there would be no need for Japan to force war on Russia, for the whole of Siberia and the Trans-Siberian Railway would be outflanked." Which is obviously correct. Japanese control of Outer Mongolia would put trans-Siberian railway communication practically at their mercy.

The "most imminent danger," therefore, "is that Japan and Russia, even if they both wish to avoid war, may be drawn into war through Mongolia. Japan cannot afford not to organize and support the Mongols who are within Manchukuo, and this necessarily involves Japan in the affairs of all the Mongols. Nor can Russia afford not to support Outer Mongolia. While, however, both Russia and Japan may wish to stop short of war, the general trend of events among the Mongols themselves makes for war.

"There is no telling when or how, or on what frontier, a tribal war may start in Mongolia. Still less can it be foreseen how far that war might spread. The powers of the world may plan for peace, but Manchukuo was fashioned under the star of war, and the star shines now toward Mongolia. Empires, in the end, are masters of the men who build them: you cannot claim a great destiny and then refuse to follow it up."

This is a most interesting and logical argument. There is no reason to doubt, however, that both Japanese and Russian leaders are fully aware of the dangers of the situation, and it may be noted that with all the extensive railway-building the Japanese are now carrying on in "Manchukuo," no railways are being built through Mongol territory or towards Outer Mongolia. Lattimore himself notes this, though he ascribes it to the desire to keep the Mongol territory for the Mongols, preventing the Chinese colonization which follows railway development. This may, indeed, be a factor, but it is a factor which would certainly not be permitted to interfere with Japanese strategic interests, if the Japanese really aimed at military action against the Soviet Union through Outer Mongolia Japanese intrigues with Mongols, and against Outer Mongolia. will probably be carried on. But the Japanese military men are probably much too shrewd to stake the fate of their own army—their own empire—upon a move to control Outer Mongolia, and are carefully refraining from building railways which would bring them closer to this territory. They undoubtedly prefer to follow the line of least resistance,—which in this case means expansion into North China, a much simpler matter than invasion of Soviet territory, or of territories under Soviet protection, against land forces greatly superior to their own.

The possibility of such a development as Lattimore anticipates, however, cannot be wholly excluded from consideration, and this gives special interest to his book, which deals with the Mongols both historically and in their present situation. Various chapters take up the "importance and historical background of the Manchurian Mongols"—in which Lattimore incidentally brings forth the interesting argument, of pointed application today, that "tribal war among the Mongols has always tended to result in the emergence of a great leader, while civil war in China has tended to result in giving some one man the largest profit in making terms with the conqueror from beyond the Great Wall,"—and go on to deal with the development of Chinese colonization, first with the Mongols as the privileged people and the princes letting land to Chinese colonists (in spite of the official ban) in order to increase their own revenues, and then (since the latter days of the Manchu Dynasty, when the policy of the Empire was becoming "increasingly Chinese") with the Chinese as the privileged people, and Chinese officials, in alliance with land speculators, taking up Mongol lands and renting or otherwise disposing of them to Chinese colonists at great profit to themselves. The process of colonization was greatly stimulated by the development of railways during the present century, "making possible the export of grain over much greater distances, and the settlement of Chinese far beyond what had previously been their economic range," while the railways also, with the accessibility of superior foreign arms to the Chinese, made possible "the ascendancy of China in Mongolia, in itself a radically new thing in history." The eastern Mongol areas were first brought under Chinese rule, being divided mainly between the new provinces of Heilungchiang and Fengtien, while Inner Mongolia further west was later subjected to similar rule under the "special administrative areas" which in 1929 became the Chinese provinces of Jehol, Chahar, and Suiyuan. "Inner Mongolia" disappeared from the Chinese map.

Lattimore has a chapter on Mongol rebellions which is of special interest because of the general lack of knowledge, among both foreigners and Chinese, of these revolts. Chinese border officials, bound up with land speculators and directly responsible for the conditions which provoked these rebellions, naturally presented

every such revolt as "Mongol banditry," though pro-Mongol observers might incline to regard the land-grabbers as the real "bandits." The Mongol viewpoint, however, has seldom gained publicity, though during the revolutionary period of Chinese Nationalism there was an Inner Mongolian Kuomintang accepting the teachings of Sun Yat-sen, "which allowed the principle of local self-determination and local self-government for racial minorities," but which lost prestige and disappeared when the Kuomintang came to terms with the Fengtien officials, "who were flatly opposed to any measures giving the Mongols increased control over Mongol affairs," the Kuomintang being unable to "disregard the vested interest in colonization and land-dealing of the officials in the northern and Manchurian provinces," so that "the Mongol policy of the Kuomintang became essentially the old Chinese policy of exterminating the Mongols, or forcing them to turn into Chinese, as fast as possible."

Other chapters, which can only briefly be referred to here, concern "the Mongols under Manchukuo"—a most valuable and timely study of the great "Manchukuo" province of Hsingan, taking in Mongol areas of western Heilungkiang and Fengtien, and northern Jehol,—"Mongol tribes, leagues, and banners," and their distribution in the various areas of "Hsingan province," as well as in the parts of Manchuria and Jehol where they have been surrounded or outnumbered by Chinese and are therefore under Japanese-"Manchukuo" rule, though with their own Mongol officials and some special protective measures. The listing of the various tribal and other Mongol units includes many historical commentaries of much interest. A special chapter deals with "Mongols bordering on Manchukuo," and includes Outer Mongolia, the Silingol League in northern Chahar (now leading the "autonomy movement"), and the Chahar Mongols, to the south of the Silingols, most of whose territory is already overrun by Chinese colonists. There is also a list of railways affecting Chinese colonization in the northeast, a list of Chinese counties and county towns established in Mongol territory in Manchuria under Chinese rule, a bibliography, and an index. There is a most interesting map of "Manchukuo," showing Hsingan Province and its division into North, East, South, and West (northern Jehol), and the Mongol territory "lost" through colonization by Chinese; a map of Manchuria, showing Mongol leagues, tribes, and banners in the area, and in the parts of Outer Mongolia and Chahar adjacent to it; and a map of "Mongolia, Manchukuo, and China," which it may be noted extends "Inner Mongolia" much further to the south (about to Kalgan) than it extended during the Manchu Dynasty, when Chihli province stretched more than a hundred miles to the north of Kalgan before meeting the Inner Mongolian border,—though much of this old northern area of Chihli was in fact occupied by Mongol tribes.

To the serious student of the present situation in "Manchukuo," of the historical and present position of the Mongols, of the probable direction of Japan's development of continental empire, of the relations between Japan and the Soviet Union and between Japan and China, this book is invaluable. There are, indeed, points upon which there will be profound disagreement, one example being the author's original thesis of an almost inevitable Russo-Japanese War with Mongolia as the immediate cause, as referred to above. Also, one may well question Lattimore's statement that the recognition of Pu-Yi as sovereign "makes much more difficult the future annexation of Manchukuo," against which thesis it can be argued, with full historical justification, that the restoration of the Manchu Emperor has in fact simplified such annexation, as Pu-Yi has only to petition for annexation in the same way as the Korean Emperor was obliged to do—an analogy which Lattimore rejects. There are other disputable points as well, but the high value of the book remains. It is a real contribution to our knowledge of the Mongols, inside and outside of "Manchukuo," and of their position and importance in the present Far Eastern crisis. H. H.

Recent Pamphlets Received

The Social Affairs Bureau of the City Government of Greater Shanghai has issued a 300 page volume covering strikes and lockouts in Shanghai since 1918. Out of a total of 1,121 disputes, 399 cases occurred in the textile industry.

The *Manchurian Economic Review* is the title of a new bi-monthly journal which has been started by T. Lindsay Gibson. The issue of June 1 contains an article by Mr. Gibson entitled "Gold, the Backbone of Manchu-ti-kuo." Articles by Russian authors discuss such topics as commerce, land tenure and credit facilities.

An address delivered by K. C. Li before the Council on Foreign Relations in New York April 5 on the "Silver Problem as It Affects the Far East" has been published in brochure form. Mr. Li points out that in the end China will not pay for imports with silver, but with exports. He expressed the hope that America would lead the world in a program for the reduction of customs tariffs.

The League of Nations has just published a 336-page report on Commercial Banks during the period from 1925 to 1933. The present volume is a continuation of the Memorandum on Commercial Banks, 1913-1929, published in the autumn of 1931. Statistics relating to eleven countries which were not covered by the previous edition have been added, so that the volume now covers the commercial banking systems of some forty countries, including ten Latin-American countries, all the British Dominions and India, the United States and 24 European States.

In the United States Court for China

In re.	Cause No. 3692
Estate	Estate No. 980
of	NOTICE
EDWARD H. DUNNING	Filed at Shanghai, China,
Deceased	June 6 1934
.....	William T. Collins, Clerk.

Pursuant to an Order of said Court, notice is hereby given to all persons having claims against the estate of EDWARD H. DUNNING, deceased, to present the same with vouchers to the undersigned on or before December 8, 1934, and all persons owing debts to said deceased are hereby notified to make payments of the same in due course to the undersigned.

STIRLING FESSENDEN,
Municipal Building,
Shanghai.

Shanghai, China,
June 6, 1934.

In the United States Court for China

HAROLD CUSTER MacLELLAN	Cause No. 3677
Plaintiff,	Civil No. 1672
vs.	ORDER
EVELYN DORRIS MacLELLAN	Filed at Shanghai, China, June 7, 1934.
Defendant.	WILLIAM T. COLLINS Clerk.
.....	L. T. Kenake, Asst. clerk.

The object of this suit is an application for divorce

WHEREAS, plaintiff herein, by his attorneys, has this 12th day of May, 1934, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 12th day of May, 1934, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 12th day of May, 1934, the plaintiff herein filed an affidavit to the effect that the defendant does not reside in China, and that defendant's last known address was 3460 East 7th Street, Los Angeles, California, U.S.A.

NOW, THEREFORE, it is this 7th day of June, 1934, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "CHINA WEEKLY REVIEW", a paper of general circulation most likely to reach the defendant.

It IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 30th day of June, 1934, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China,
this 7th day of June, 1934.

MILTON J. HELMICK
Judge.

Complete Text of Dr. L. Rajchman's Report on League Co-operation with China

The report, dated April, 1934 by Dr. L. Rajchman, liaison officer on technical co-operation between the League of Nations and China, was officially issued at Nanking and Geneva, May 10. The report is being published in serial form in the China Weekly Review. The following is the fifth installment.

(Continued from last week)

CHAPTER III.—COTTON

The Commission for the Rationalization of the Cotton Industry was established on October 7, 1933, and consists of about twenty members, representing the interests of cotton-growers, merchants, and manufacturers, under the chairmanship of Mr. K. P. Chen, Director-General of the Shanghai Commercial and Savings Bank. Current business is directed by a standing committee of five.

If China becomes an industrial nation, cotton weaving and spinning will probably be the most important of its industries. At present this industry is more heavily capitalized and employs more labour than any other of the growing industries. Moreover, China, unlike Japan and Great Britain, can not only support a cotton industry, but can also produce the raw material. It possesses in eleven of its provinces all the natural characteristics suitable for cotton growing. Shansi, Honan, Hopei, Shantung and Kiangsu are the best areas; Shensi, if irrigated, would also be admirably situated.

The supply of cotton, however, is inadequate for the spindles of the Chinese Cotton Industry. In 1932 the import of raw cotton totalled $233 million, or more than a quarter of China's visible adverse balance of trade. The industry needs at least 12 million piculs per annum, and with the increase in demand for cotton goods, which must be anticipated with an increase in the prosperity of the farmer, this need will become continually greater. The reason for this unsatisfactory state of affairs is partly the low productivity per acre of Chinese cotton-growing districts, and partly the poor quality of the cotton, both being due to the use of poor or degenerated seeds. As a result of a preliminary survey by the Cotton Rationalization Commission, it has been established that the average production per mow with seeds must commonly used is one-fifth of a picul. On the other hand, in the same soil the output from improved types of seed is four-fifths of a picul. The poor quality of the cotton grown from the Chinese seed is an even more serious disadvantage than its small output. Manufacturers making anything but the coarsest of cloth are obliged to buy foreign cotton.

If Chinese cotton-growers used a better seed China would be exempt from the necessity of importing new cotton, and therefore free to import machinery or some commodity which it cannot at the moment itself produce. It is clear, therefore, that a Commission charged with the improvement of the cotton industry in all its aspects has, as its first task, the improvement of the quality of the seed. The Commission intends to effect this partly by an extension of the co-operative movement among cotton-growers. Co-operative societies are the most convenient media for the distribution of improved seeds to the farmers. They also secure for the cotton-grower attractive prices. Farmers will not grow cotton unless they can make a profit at least equal to that which they get for growing wheat or rice; and in the market as at present organized there is so long a chain of middlemen between the producer and the ultimate purchaser that the price to the grower hardly covers cost of production. A beginning of a co-operative movement for the marketing of raw cotton has been made in the last two or three years by one of the Shanghai banks, and there are at present about 10,000 members. The Commission hopes to extend this organization very considerably.

These co-operatives, besides assuring the cotton-grower of a higher price and thus stimulating production, will be used for improving the quality of the crop. One of the chief disadvantages of Chinese cotton is the lack of dependence which can be placed upon its quality. Chinese cotton is actually several dollars cheaper than American, but manufacturers are unwilling to purchase because the cotton is frequently found to be adulterated, or mixed with sand or with wheat seed. The Cotton Rationalization Commission proposes to attach to each co-operative society an officer who will grade and standardize the produce; cotton which does not come up to a certain standard will be refused, and this is expected to have a controlling effect.

Besides establishing this co-operative organization the Commission intends to establish at Nanking a central bureau for the improvement of cotton, and in co-operation with the provincial bureaux of reconstruction will set up similar institutions in five of the provinces. The business of these establishments will be to experiment with and propagate improved seeds, to collect statistics concerning the cotton crop, to study fertilizers and to conduct propaganda among cotton-growers directed to giving them the technical knowledge which they lack.

Its ultimate aim is the systematic control of the whole industry, the organization of the financial structure or individual enterprises, the replacement of obsolete machinery, and the rationalization of the trading methods. Plans have been worked out for the erection of a special financial organization for this purpose, but the contemplated arrangements are still in active study. In the meanwhile the Commission would subsidize and guide specialized training in three of the largest engineering colleges. Discussions are also taking place with the Academia Sinica in regard to facilities at the Academy's institutes for continuous industrial research into a series of specific problems. The Committee set by the National Economic Council to advise on technical studies is being apprised of the results of these conversations which are likely to materialize during the year.

The Commission will thus, during its first and experimental year, confine itself chiefly to measures for improving the raw material.

CHAPTER IV.—SILK

1.—The falling off in the export of silk is one of the most striking features of the Chinese economic situation. Although this decline is partly attributable to the world depression, it is probably also due to more particular causes, as is demonstrated by the fact that the export has declined more than proportionately to the total foreign trade. Between 1928 and 1933 the export of silk fell from $282 millions to $93 millions. In 1928 this represented nearly 20% of China's total exports; in 1933 it was only 15%. The Chinese export of silk fell between 1928 and 1933 by 67%, and since the world purchase (excluding purchase of artificial silk) did not fall off in the same degree it is clear that China lost a part of its silk trade to other countries. The position is the more serious inasmuch as China has natural advantages for sericulture greater than those of any other country. An extended cultivation of silk would, moreover, provide the farming population of China with a surplus of production over what is consumed, the lack of which at present renders China an indigent purchaser of industrial commodities.

2.—Signor Benito Mari, former Chairman of the Italian Association of Sericulture, who was, at the request of the Chinese Government, sent to China at the nomination of the Economic Committee of the League at the end of 1932, has been conducting an investigation into the state of the silk industry. His inquiries extended over the provinces of Chekiang, Kiangsu, Kwangtung (in which province Canton is situated), Shantung, and Szechuen, which lies far up the Yangtze Valley in the remote West. Dr. Mari has made a number of reports, and last autumn combined these into a composite one, which is attached as Annex 6.

3.—Dr. Mari attributes the decline of trade, apart from causes due to the world economic position, to a deterioration in the quality of silk produced, which has led old-established buyers to discontinue or diminish their purchases and transfer their custom elsewhere. Defective methods of mulberry tree cultivation; the degeneration, due to improper selection, of the silkworm eggs; primitive and haphazard rearing of silkworms, and their improper feeding; the spoiling of cocoons in the drying process; indifferent management of the filatures and the lack of favourable financial backing have all played their part in bringing about the present decay. One cause is especially potent. In the cocoon market there is no attempt to grade the cocoons, good and bad alike being purchased by the filatures, and in consequence Chinese silk is of very irregular quality. The deleterious effect of this upon the foreign market can scarcely be overstated.

4.—Dr. Mari has made suggestions for the improvement of the industry in all its branches. The gist is given in the following paragraph, taken from page 9 of the report which he made last autumn:—

> The reconstruction of China's sericultural industry is a task of great magnitude which can only be accomplished by degrees. Nothing can be done however, without compulsory Government regulation of certain phases of silk production . . . . . The Chinese Government should establish a State monopoly for the control of everything pertaining to the cultivation of mulberry trees, to the preparation of silkworm eggs, to the rearing of silkworms and cocoons, and to the price and sale of cocoons. On the other hand, silk reeling and the marketing of raw silk should be left to private initiative at any rate until better understanding and agreement have been reached among reelers, which would make it possible to organize a single selling institution. Nevertheless, silk filatures should be assisted with technical advice and with instructions which should sometimes be obligatory, and they should be given commercial information service, while their working conditions and output should be subject to Government control.

5.—The improvement of Chinese sericulture has for some years occupied the attention of various public bodies. In 1919 the Foreign Chambers of Commerce at Shanghai, in collaboration with Chinese interests, and since 1927 with the National Government, have maintained an institution called the "International Committee for the Improvement of Sericulture." This Committee has functioned principally in Chekiang and Kiangsu. The guiding principle governing its activity has been to improve the quality of Chinese silk, to reduce its price, and to make its quality uniform.

In this connection the Committee has established three stations in Kiangsu for the breeding of improved and uniform eggs. To disseminate these eggs, which are sold at cost price, it has established in Kiangsu and Chekiang a number of demonstration stations, each having a staff trained by the Committee, which maintains at Chinkiang a school for this purpose. Stations are also prepared to give continuous advice and aid to the farmer in the rearing of his silkworms, to disinfect free of charge his house and implements, and to assist him in the combating of disease and the pests which attack his mulberry trees. Since the most efficacious way to bring pressure on the farmer to improve his product is through the prices paid, the demonstration offer their services to the purchaser of the cocoons in grading and valuing. This function has in some cases been taken over by co-operative societies organized by the demonstration stations.

6.—When the situation of the silk industry became critical the government of Chekiang, in which province a substantial part of the farmer's income was derived from sericulture, decided to intervene. In collaboration with the International Committee for the Improvement of Sericulture a new joint commission was formed, called the Kiangsu and Chekiang Sericulture Uniformity Commission. This Commission, which received its supply of eggs and its staff from the International Committee, took over and extended the work formerly done by the Committee in Chekiang.

A few details of the work of some of the stations established by the Commission may be of interest.

In the Siaoshan district of Chekiang (declared, according to the terms above, a model area) nearly 120,000 sheets of eggs were distributed. Ten demonstration stations were established with 43 demonstrators, and the total expenditure was $11,600. Several stations were set up for the collecting of cocoons. In this district more than 25,000 rearers sought the help of the stations; over 17,000 houses were specially disinfected for sericulture by demonstrators; and twenty-two co-operative societies were formed.

In the Wuchow district of Chekiang thirteen stations were erected and twenty demonstrators employed. In the course of their operation they disinfected more than 2,000 houses, and formed twenty co-operative societies.

In the Haiyen district six stations were established with a staff of eight demonstrators, and the silkworm rearing of nearly 1,000 farmers was supervised.

7.—One of the most disorganized processes of the industry is the collection of the cocoons for the filatures. Signor Mari makes the following comments on this in his Report:—

> Strictly speaking, there is no organized cocoon market as in Europe on which the farmer can sell his products at competitive prices. The silk filatures decide in advance at what average price they will purchase cocoons from the farmers, and send out collectors who buy up the crops at a uniform price. The buying agents' technical knowledge is often negligible; they are either unable or unwilling to distinguish good products from bad, while the farmer, aware that the price which he can obtain is not determined by the quality of his cocoons, does not take enough care of his rearings, and sometimes keeps back the best part of his crop and hands over the worst to the collectors. The existence of this pernicious system very largely explains the farmer's indifference to improved methods of production.

In August of last year the Chekiang government resolved to constitute itself, through the medium of the Sericulture Improvement Commission attached to its Bureau of Reconstruction, the intermediary between the farmer and the filatures. All cocoon markets were required to notify their requirements one month before the collection of the autumn crop. Their demands were then to be apportioned to the supply available. As the prices of cocoons had fallen sensationally in the course of the year, it is not possible to calculate exactly the difference between what the farmer received under this system and what he would have received under a free competitive system. But to a small extent he did undoubtedly benefit.

8.—During the last winter the Central Government decided to include the rehabilitation of sericulture as a part of the reconstruction programme. The National Economic Council, under its power to create autonomous commissions for the control of industries, on January 1, 1934, established such a Commission for the Silk Industry. Like the Cotton Rationalization Commission, this consists of members representing the different interests concerned.

The Silk Commission has receivel an allotment of $750,000 from the budget of the National Economic Council. Since one of the chief causes of the decline of the silk trade is the poor quality of the egg, the Commission proposes to set up two stations at a cost of $200,000, one in Chekiang and the other in Kiangsu* (two of the most favourable areas for sericulture), which will propagate improved varieties. These will be in addition to breeding stations of the other two commissions. The remainder of the allocation will be used for setting up demonstration stations (and in time model areas) upon the lines followed by the International Committee, and in organizing and buying machinery for silk factories created by the amalgamation of existing small units. Plans are now in process of elaboration.

9.—Another important action by the state in the regulation of the silk industry is the establishment of bureaux at the

*It was proposed to extend this activity to Kwangtung, but funds do not allow. Eggs will, however, be distributed in Szechuen.

In the United States Court for China

EDWARD HOWARD FORD, Plaintiff,
vs.
SADIE CAROLINE FORD, Defendant.

Cause No. 3686
Civil No. 1681
ORDER
Filed at Shanghai, China, June 7, 1934.
WILLIAM T. COLLINS Clerk.
L. T. Kenake, Asst. clerk.

The object of this suit is an action for the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS, plaintiff herein, by his attorneys, has this 2d day of June, 1934, made application for the substitution of publication for personal service upon the defendant herein; and

WHEREAS, it appears from the files in this case that on the 2d day of June, 1934, the summons for defendant was returned by the United States Marshal for China with the following noted thereon: "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS, it appears from the files in this case that on the 28th day of May, 1934, the plaintiff herein filed an affidavit to the effect that the defendant does not now reside in China nor has she resided therein at any time during the past year prior to this date, and that defendant's last known address was 1106 West 39th Street, Vancouver, Washington, United States of America.

NOW, THEREFORE, it is this 7th day of June, 1934, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "CHINA WEEKLY REVIEW," a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occuring after the 30th day of June, 1934, the day of last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT:

Dated at Shanghai, China, this 7th day of June, 1934.

MILTON J. HELMICK
Judge.

In the United States Court for China

CARL E. HICKS, Plaintiff,
vs.
EDNA L. HICKS, Defendant.

Cause No. 3688
Civil No. 1683
ORDER
Filed at Shanghai, China, June 7th, 1934.
WILLIAM T. COLLINS Clerk.

ORDER

The object of this suit is the dissolution of the bonds of matrimony between the parties hereto.

WHEREAS plaintiff herein, by his attorneys, has this 29th day of May, 1934, made application for the substitution of publication for personal service of summons upon the defendant herein; and

WHEREAS it appears from the files of this case that on the 29th day of May, 1934, the summons for the defendant was returned by the Marshal of the United States Court for China "Defendant cannot be found within the jurisdiction of this Court"; and

WHEREAS it appears from the files of this case that on the 28th day of May, 1934, Carl E. Hicks, the plaintiff herein, filed an affidavit to the effect that the defendant herein was not residing in the Republic of China nor has she been within the jurisdiction of this Court during the last year previous to the 29th day of May, 1934;

NOW THEREFORE, it is this 7th day of June 1934, ORDERED that service upon the defendant be made by publication once a week for three consecutive weeks in the "CHINA WEEKLY REVIEW" a weekly paper of general circulation most likely to reach the defendant.

IT IS FURTHER ORDERED that the defendant cause her appearance to be entered herein on or before the fortieth day, exclusive of Sundays and legal holidays, occurring after the 30th day of June, 1934, the day of the last publication of this Order; otherwise the case will be proceeded with as in case of default.

BY THE COURT,

MILTON J. HELMICK
Judge.

ports for the testing and grading of all silk to be exported. These bureaux exist at six principal ports. It is expected that this measure should have important effects in two directions. In the first place it should cause foreign purchasers to have a greater confidence in Chinese silk; and in the second it should stimulate the producer and lead him to pay closer attention to quality, and he will thus become more willing to seek the aid of organizations established for his assistance.

10.—Besides this action by the National Economic Council there has been a development of some interest in Szechuen. There the silk reelers, under the pressure of financial difficulties, were induced by local bankers to organize with goverment assistance a co-operative society call the "China Silk Corporation." Only one filature in the province now does not belong to the Corporation. This co-operative society, the first of its kind in the silk industry, has not been in existence long enoug for its value to be estimated; is is possible, however, that by such combines the necessary economies will be introduced into the financial arrangements, the necessary efficiency into industrial management, and a greater strength into the marketing position to enable China to recapture a part of its export trade.

CHAPTER V.—WATER CONSERVANCY

1—.Floods are perhaps the worst of the natural calamities which periodically afflict China. The country to the south of the Yangtze is mountainous, and the rivers in that territory give little trouble. But in North China the rivers, after taking their rise in the loess highlands of the Northwest, flow across an immense plain before reaching the sea. In the course of centuries, having washed down great quantities of silt, they have formed beds which are higher than the surrounding country, and can therefore only be kept from overflowing be means of dykes. In Central China, though there is nothing like the same quantity of silt carried by the Yangtze, the conditions are not dissimilar. The bed of the Yangtze is not deep enough to accommodate the water flowing into it after a period of abnormally heavy rainfall. Its tendency at such a time is therefore to spread over the whole of the neighbouring plain.

(To be Continued)

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The National City Bank of New York, Rates of Exchange

Shanghai, June 13, 1934

Demand selling rate on America:	U.S.$100=Sh. $ 3.05
Demand buying rate on America:	U.S.$100=Sh. $ 3.03
Demand selling rate on London:	£1.0.0=Sh. $15.36
Demand rate buying on London:	£1.0.0=Sh. $15.12

Latest New York Stock Exchange Quotations

Market—Firm — Business Done 950,000 Shares

June 13, 1934

1933-34 High	1933-34 Low	Div. $ per Sh.	STOCK	Mon. June 11	Tue. June 12
13¾	3	—	Adams Express	9	9¼
33	11¼	0.60	Alaska Juneau	20⅝	20⅝
160	70⅜	6.00	Allied Chemical & Dye	139½	140⅝
107⅛	19½	4.00	American Can	97	97⅝
19⅜	5⅞	—	American & Foreign Power	8⅞	9⅛
27¼	3⅛	—	American Metal Company	24⅛	24
53⅞	10¾	—	American Smelting	41¾	42¼
134⅝	86½	9.00	American Tel. & Tel.	117	118¼
94⅞	50⅜	5.00	American Tobacco "B"	73½	74
43¼	10⅞	1.00	American Waterworks	19½	19½
22⅞	5	—	Anaconda Copper	15⅝	16
18⅝	5⅞	—	Atlas Corporation	11¾	11⅝
84¼	31	2.00	Auburn Automobiles	30⅝	31
37⅝	8¼	—	Baltimore & Ohio	24⅝	24⅝
49½	10⅜	—	Bethlehem Steel	33⅝	34½
37⅝	18	1.60	Borden Company	25⅝	26¼
28½	5½	0.25	Borg Warner	23½	24⅜
20⅞	7¼	—	Canadian Pacific Railway	15⅝	15½
103½	30½	—	Case, J. I.	54¼	55
47⅞	16⅝	1.40	Chase National Bank	28⅝	29
52½	14⅞	2.50	Chesapeake Corporation	45½	Unq.
89	7⅜	1.00	Chrysler Corporation	42⅝	42⅝
28½	9	0.50	Columbia Gas & Electric	13½	13⅝
6⅛	1⅜	—	Commonwealth & Southern	2⅛	2⅛
64⅛	34⅛	3.00	Consolidated Gas of N. Y.	32¼	32⅝
22½	4⅞	—	Continental Oil	11¼	21⅝
9	2⅜	—	Coty Inc.	5⅞	5⅝
5¼	1½	—	Curtiss Wright Company	3½	3⅝
102⅜	32¼	*2.00	Du Pont de Nemours	88½	89¼
96½	46	3.00	Eastman Kodak	98½	99⅜
41⅝	10	—	Electric Bond & Share	15⅝	15½
15⅝	3⅛	—	Electric Power & Light	5⅞	6
19	12	—	Fox Film "A"	14⅝	14⅝
10¾	2⅞	—	General Aviation	4¼	4¼
30¼	10½	0.40	General Electric	20¼	20⅝
39⅞	21	1.50	General Foods	32⅝	32⅝
41½	10	*1.00	General Motors	32⅝	33⅛
49½	15¼	1.00	General Railway Signal	33¼	34½
27⅝	12	1.20	Gold Dust	20¼	20⅝
47½	9¾	—	Goodyear Tire & Rubber	29⅞	30⅝
40	8¾	—	International Cement	35⅝	26½
46⅛	13⅝	0.60	International Harvester	32⅞	33⅝
29	6¾	—	International Nickel	26⅝	27
21⅝	5½	—	International Tel. & Tel.	13⅞	14
65½	21¼	—	Johns Manville	50½	51¼
26	7⅝	—	Kennecott	22	22⅝
79⅝	37½	2.40	Lehman Corporation	Unq.	Unq.
99⅝	40½	*4.00	Liggett & Myers "B"	Unq.	97½
36½	8¼	1.00	Loew's Inc.	32⅝	32⅝
25¼	10⅝	1.20	Lorillard P. (Com.)	18⅝	18⅞
35⅝	8⅝	—	Montgomery Ward	28	29
44⅛	16⅞	1.00	National City Banks (bid price)	27⅝	28¼
41⅝	5⅝	—	National Distiller	26¼	26⅝
58½	14	—	New York Central	29⅝	30⅝
36½	12⅝	8%S	North American	17⅞	17⅞
96⅝	31½	2.00	Owens Illinois Glass	78⅝	79½
31⅞	15	1.00	Pacific Gas & Electric	17⅞	18½
6⅞	1⅜	—	Packard Motors	4	4
42½	12⅝	0.50	Pennsylvania Railroad	30⅝	31⅜
6⅝	1¼	—	Pennroad Corporation	2⅜	2⅜
20⅝	4⅜	—	Phillips Petroleum	19⅝	19⅞
12¼	2	—	Radio Corporation	7⅝	7½
54¼	26½	3.00	Reynolds Tobacco "B"	46	46⅜
50⅞	12½	—	Sears Roebuck	43½	44½
19½	6	1.00	Socony-Vacuum Corporation	16½	16⅝
28	14¼	2.00	Southern California Edison	16¼	16⅛
22⅛	5¼	—	Standard Gas & Electric	11⅛	11
49⅝	22⅝	1.00	Standard Oil Co. of N. J.	46¼	46¼
60⅞	46	3.80	Sterling Products	59½	60
9	1¼	—	Studebaker	5	5⅛
30¼	10⅜	1.00	Texas Corporation	25⅜	25⅞
9⅜	2⅝	0.12	Transamerica	6⅝	6⅝
51⅞	19⅝	1.00	Union Carbide & Carbon	41⅜	42⅛
133⅞	61¼	6.00	Union Pacific	123	124
46⅛	16¼	—	United Aircraft & Trans.	21¼	21⅜
14¼	4⅛	—	United Corporation	5⅛	5⅜
25	14	1.20	United Gas Improvement	16¼	16⅜
25	2⅞	—	U. S. Rubber	20⅜	20⅝
67⅛	23⅝	—	U. S. Steel	41⅝	42
51½	21¼	*2.00	Universal Leaf Tobacco	47	Unq.
28⅝	7⅝	—	Vanadium	21⅜	22⅞
9½	1	—	Warner Bros. Pictures	6⅛	6⅛
58⅜	19⅜	—	Westinghouse E. & M.	37	37⅜
54⅞	25½	2.40	Woolworth	50¼	51
			PREFERRED STOCKS AND BONDS		
44⅞	7¼	none	American & Foreign Power 7% Pfd.	20¾	21⅜
58½	23⅝	5.00	Amer. & For. Power 5% debs. of 2030	54⅝	55⅜
80	35	6.00	American Waterworks $6 preferred	75	75
48	25	5.50	Cities Service Power & Light 5½s/52	45½	45½
66	25	6.00	Electric Bond & Share $6 preferred	50⅝	50
72¾	20⅛	4.50	Int. Tel. & Tel. conv. 4½s of 1939	69½	69⅝
65	34	5.00	New England Gas & Electric 5s 1947	Unq.	56
85	85	6.00	Standard Gas & Elec. 6% notes 1935	82	82

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